FEBRUARY 15, 1949

SATURDAY NIGHT

PRICE 10 CENTS

VOL. 64, NO. 19 • TORONTO, CANADA

THE CANADIAN ILLUSTRATED WEEKLY

THE FRONT PAGE

Last Steps Are Hardest

THE light-hearted way in which Mr. St. Laurent is setting about the task of making Canada a self-sufficing nation suggests that his youthfulness of spirit is more nearly related to the short time that he has spent in politics than to the long time that he has spent in the practice of law. Next to the difficulty of bringing about Confederation, which was certainly great enough, we can imagine no greater difficulty than that of bringing about a passable measure of agreement on the methods by which the terms of Confederation are to be made variable in accord with the varying will and needs of the Canadian people. And without that passable measure of agreement it would be better to have what we have now, a constitution which is practically incapable of amendment in any controversial field, than a constitution which can be amended by methods which are not wholly satisfactory to the people who must live under it.

In devising the methods by which Canadians are to adapt their constitution to the changing requirements of succeeding ages it is equally impossible to accord an absolute power of decision to the Dominion parliament and an absolute power of veto to one province, or even to two or three provinces. Outside of the constitutional rights which must in any event be made irreducible, namely those relating to the minority language and minority education, there must be compromise of some sort between extreme nationalism and extreme provincialism—the one leading to too much ease of amendment because only one legislative authority is involved, the other to virtual impossibility of amendment because the consent of nine provinces is necessary.

We can see no hope of arriving at this compromise in such a way as to ensure general acceptance except by means of some kind of constitutional convention. And we suggest that every species of subsidy question be ruled out from the agenda of such a convention and left to settlement by other methods, in order that no province may be tempted to blackmail the majority in order to enforce some financial benefit for itself.

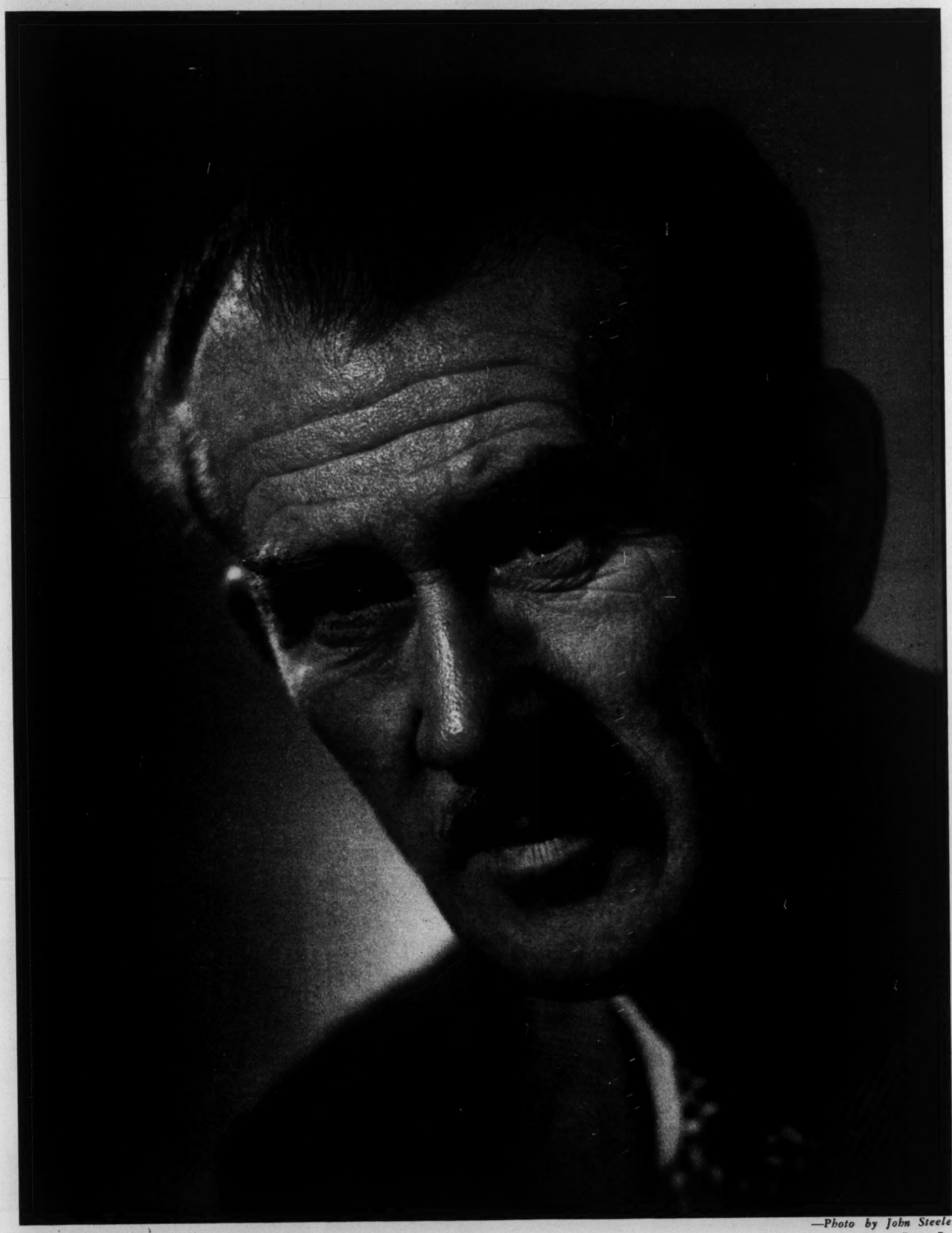
Poor Public Relations

THERE is not much to be said for the technique of the public relations methods of a government which allows a transaction involving a very large amount of the public funds to become known by a bare announcement of "legal fees, W. C. Thompson, Toronto, $172,000, Department of Veterans' Affairs". Such items, wholly unaccompanied by explanatory details, have the effect of getting the public all worked up and suspicious, when as a matter of fact there is probably nothing to be suspicious about—or rather there will be nothing to be suspicious about when the details of the transaction are brought out, as they doubtless will be, in discussion of the department's appropriations.

The D.V.A. has an enormous amount of real estate transactions to handle every year, involving registry and court fees and a great deal of title searching. These services are arranged for, we understand, not by the department itself but by the Department of Justice, which takes charge of the legal affairs of most of the other departments and handles them as it thinks best. It may be wise policy to concentrate a good deal of this kind of work in the hands of a single office, whose workers would become accustomed to the requirements; and since the resettlement of veterans is not, one hopes, a perpetual function of government it may also be wise policy not to set up a government-managed staff to deal with it, for such staffs have a habit of being difficult to disperse when their special job is completed.

But a wise P.R.O. would see to it that such matters do not become public without any prep-

(Continued on Page Five)



—Photo by John Steele

NEW LIFE FOR THE ACADEMY: Fifty-one-year-old A. J. Casson, new President of the Royal Canadian Academy. One of the early Group of Seven "rebels", he should bring fresh vigor to the 70-year-old Academy.

FEATURES IN THIS ISSUE

		Page
Basis of Western Union Must Be More Than Fear	Leopold Kohr	6
Lighter Side: The Lives of Miss A.	Mary Lowrey Ross	11
Tim Buck Gets On The Party Line To Moscow	Willson Woodside	14
Cry For Lower Taxes Ignores Need For Surplus	Rodney Grey	26

Feeling of Hostility

The Mental Health Division of the Department of National Health and Welfare produces a film to give the public a better understanding of some common problems. The efficiency of group therapy in many neurotic cases is now widely recognized.

THEIR numbers are legion — these people who are forever showing resentment and hostility towards everybody and everything. At home, in the office and factory, they go through life as misfits. Psychiatrists have tagged this "feeling of hostility" as a mild form of mental illness and claim that it is responsible for one of the largest groups of neurotics in Canada.

To the ordinary observer there seems to be no apparent reason for such behavior. Only too frequently it leads to domestic discord as well as personnel difficulties in commerce and industry. Why do these over-aggressive, hypersensitive individuals act as they do? What is the basis of this hostile feeling? How can these sick people be cured?

To provide full answers to these questions would require psychiatric treatises far beyond the layman's scope. But a 32-minute film which dramatically highlights a typical case history enables the man-in-the-street to gain considerable insight into the factors which so often lead to this type of maladjustment.

"The Feeling of Hostility," produced for the Mental Health Division of the Department of National Health and Welfare by the National Film Board, is the second in the series on "mental mechanisms" aimed at giving the public a better understanding of mental health problems.

Like its predecessor "The Feeling of Rejection," it has a dual purpose: as a therapeutic agent by the medical profession in treating patients and as a preventive means in educating the general public.

Group therapy is growing in Canada and abroad as an efficient method of treating considerable numbers of neurotics. The reception given "Rejection" in this country and abroad showed only too clearly the need for such films which help patients to understand themselves. And the film is expected to be of considerable value to the public generally (it will be shown on NFB circuits). The prevention of mental illness is largely dependent on the early recognition and treatment of mild cases. This means public appreciation in getting patients to the doctor or clinic as soon as possible, all of which presupposes public education on the subject.

"The Feeling of Hostility" is the story of Clare, an attractive and outwardly successful woman of 25. Sure of herself in her job, but insecure in her human relationships, Clare has built her life around the only thing which has never hurt her—her intellectual capacity. Her capacity for love and friendship is undeveloped because love has come to mean betrayal, hurt and resentment.

WHEN she was a child she lost her father in a mining accident. To her, tragedy meant a broken promise: he said he would come back and he didn't. She then transferred all her love to her mother who in her own grief and loneliness unintentionally made Clare utterly dependent upon her. The girl feels betrayed when her mother remarries. She now has to share the mother, who had promised never to desert her, with a stepfather and later with a half-brother.

A similar situation exists at school where other pupils seem to be favored at her expense. A pattern has begun to take form in which the feeling of hurt is followed by strong resentment which in turn fosters a determination to win at least respect and admiration, if not love. All her energies are now bent on scholastic achievement for here she finds a field where she can not only compete but win. From now on, Clare is going to be first.

At home her family is impressed by her success. For her, excelling becomes a substitute satisfaction for love. She occasionally attempts a normal, friendly relationship but is afraid to believe anyone might like her in case the affection is withdrawn.

At the end of the film Clare is an efficient young executive, perfectly able to handle the complexities of her job, but quite alone once she leaves the barren security of her office. All along, her feeling of hostility has been unconsciously working to make her so successful that she will not need the love she finds so hard to give or accept.

The film recognizes that not all persons having this feeling of hostility are able to direct it into constructive channels as did Clare and by analyzing its basis, encourages a wider understanding of the problem.

1 At 25, Clare is apparently a happy and successful executive. But inwardly she is a lonely woman who wants and needs friends but holds back because she is afraid of being hurt. What made Clare develop this feeling of hostility towards other people . . . ?

PHOTOGRAPHY
NATIONAL FILM BOARD

2 When she was four, Clare lost her beloved father in a mining accident. To her immature mind, his leaving home and failing to come back when he had said he would was interpreted as an act of desertion.

3 In the years that follow, Clare comes to depend completely on her mother for this love which is bestowed so lavishly in the loneliness of widowhood. Clare, as a result, is now completely happy again.

4 Then another blow—her mother remarries. The stepfather has intruded to deprive her of her mother's complete attention upon which she depended so much. Love has become for Clare something unsafe.

5 Baby brother is a further intruder. Used to over-indulgence from her mother, she feels that now there is even less affection for her. Observant parents would have seen her growing resentment and helped.

6 Sent to a private school beyond her family's means, Clare notes the contrast in material things. She finds she can gain the respect of others and the approval of the teacher only by knowing the answers.

7 Clare's stepfather gives her only fifteen cents for the school charity, a humiliating contrast to what she knows the other girls will give. She takes what she feels she was entitled to from her mother's purse.

8 Clare gets comfort from food when unhappy. She makes an attempt to get affection from her teacher by taking her a piece of cake. When she finds the cake uneaten, she feels rebuffed and disappointed.

9 Now in high school, Clare has an unconscious distrust of men. She finds an outlet for her mental prowess in writing a play and reads it to a young actor. When interest goes, Clare is hurt and resentful.

10 At college, Clare is editor of the paper, winning the respect of students and faculty but she still finds her chief satisfaction in defeating others. She lacks warmth in practically all her social relations.

11 Clare, now in a publishing company, has succeeded in her work but not in the fullness of living. She is very much alone. Faulty child training has taken its toll. Understanding could now help.

Not All Ice Comes in Trays

By Marge and Phil Shackleton

CANADIAN city-dwellers (most of whom are rural born anyway) may experience some nostalgia over these familiar scenes; they recall, however, that the industry of winter ice cutting is still an important one throughout this country.

Not every one in Canada enjoys the benefits of a gas or electric refrigerator and thousands of tons of ice must still be provided to protect food during the steaming Canadian summer. And although artificial ice is manufactured and sold the year round, much of our ice supply comes ready made from our frozen lakes and rivers. To supply the need, ice dealers are now cutting huge blocks and packing them away for summer use.

A motor driven circular saw does the major work of ice cutting. It slices out large blocks, three feet by a foot and a half. Since the blocks soon freeze together, a hand saw is used to free them. A third man with a crow bar levers them into open water. Guided by pike poles, the ice is floated to a ramp where the conveyor belt catches it with sharp spikes and carries it to a waiting truck.

Driven to the ice house, the blocks are lifted by a winch and swung into cold storage sheds. Next summer this harvest will, among other things, keep milk from curdling.

—Photos by Capital Press Service

This power driven saw cuts easily through two-foot ice. First strips are nine feet by eighteen inches—or three cakes of ice.

Operator examines the special blade of the saw which makes a very fine cut. The blocks of ice are forced apart later.

Hand saw is used to separate the ice strips which freeze quickly together again in sub-zero weather.

Next operation is to lever strips into open water in the manner of a lumberjack guiding floating logs.

The hand pike-pole controls the bobbing cakes along the narrow open passage to the conveyor.

Mechanical aids come to the aid of the operation once more as the power driven conveyor belt carries the blocks upward to the waiting trucks, quickly driven off.

Ready for the journey to the sawdust-filled ice house. This summer thousands of summer cottagers will be grateful for cold salads, drinks and now even margarine.

Ottawa View

A New House Spirit

By WILFRID EGGLESTON

THE Twentieth Parliament since Confederation, which opened in an atmosphere of dull competence in 1945, has taken on new lustre overnight. In what is almost surely the last session before a general election, this Parliament suddenly emerges as the ablest and most lively in many years. The completeness of the transformation from recent sessions has to be seen and heard to be fully appreciated.

The arrival of George Drew is the spark plug which, more than anything else, has fired the new spirit of clash and counter-clash. But there is more than just an increase in disputation and party tension. There is, all at once, a new air of top-rank debating ability, and of high consideration of national and international affairs. And for these gains it is not to the election of a new Opposition leader that we must look so much as to other factors.

Everyone who follows sport is familiar with the phenomenon of a team which after a long period of mediocre play suddenly begins to click. The immediate cause may be the infusion of some new blood into the team but quite as important as the prowess of the imports is the new team-play and the brilliance of the old stand-bys under the changed circumstances. A team which on paper ought to be good but which has been hovering just above the cellar frequently shoots to the top of the league and stays there, under these new conditions.

The Twentieth Parliament, it seems to me, has just undergone a subtle but impressive alteration of this kind.

Looking back over the first ten days of the session, the factors contributing to this new brilliance and spirit which stand out most prominently are as follows: in the official Opposition, apart from the aggressive new leadership of George Drew, the way in which Diefenbaker and Fleming have matured as parliamentary debaters, and the addition of one more member of front-bench rank in George Nowlan, the victor in Digby-Annapolis-Kings.

In C.C.F. ranks, one is continuously impressed with the skill and maturity of Coldwell and MacInnis and the growing mastery of parliamentary procedure by Stanley Knowles.

On the government benches the front line has been vastly strengthened by the arrival of Messrs. Garson and Pearson, and the Cabinet as a whole presents a very strong team, possibly the ablest since 1896, although comparisons along these lines are almost impossible to set up in any convincing way. Add to all this the surprisingly fine showing made by the new Prime Minister in the critical moments to date this session, and you have an extremely interesting House, with all sorts of new possibilities as we roll onward nearer to a general election.

•

Mike's Maiden Speech

THE Honorable Lester B. Pearson (who will continue to be "Mike" until a new generation of somewhat more formal and deferential members arrives at Ottawa) has returned to a jaunty bow-tie, after a few days' experiment with the more dignified four-in-hand. There may be profound symbolism behind the sartorial shift, but if so it has escaped me.

The bow-tie did not detract in the slightest from his sensational maiden address in the House last week on the Atlantic Security Pact. I made a mental note at the end of it that it was the most promising and accomplished maiden effort I had ever heard in the House, and learned afterwards that one of my colleagues in the Gallery had gone further and had made up his mind it was the best speech, maiden or otherwise, delivered there in his own time.

Pearson is probably without peer in this country as a lucid, urbane and eloquent expositor on international affairs. His gifts as a chairman have won him world renown in committees of the United Nations. Any team consisting of men as talented at St. Laurent and Pearson could lead the international delegation of any country in the world with distinction; and party politics aside, it is a gratifying thing to see two such men in the seats of government here at a time of world crisis. Except during his brief excursion into delicate party ground when he ribbed the Drew party for its silence on the Security Pact—which he implied was a deliberate and studied silence having in mind Nicolet-Yamaska and the foreign policy of Ivan Sabourin, Conservative leader in Quebec—Pearson was as roundly applauded from the opposition benches as from his own side.

Apart from the quality of Pearson's speech, one couldn't help thinking, as he spoke, of the fact that a good deal of the credit for the North Atlantic Security Pact will have to be given for his own work while Undersecretary of State for External Affairs—that he may turn out to be one of the makers of world history because of his early association with this audacious attempt to pluck a victory for peace out of the menacing deadlock of United Nations operations on the global scale.

Again, the political overtones of Pearson's impressive performance obtruded while he was speaking. Mike Pearson is 15 years younger than the present Prime Minister. He will still be a comparatively young man when St. Laurent reaches the age when political leaders are disposed to retire. Looking ahead to that time, it is not presumptuous to see in Pearson a man who might appeal to the Liberal party as a scholar and administrator capable of learning the tough arts of party warfare.

•

Like Twain's Weather

EVERYBODY talks about Senate Reform, but nobody does anything of any consequence about it. The cards are stacked against Senate Reform, if one looks into it. Why not fill some of the vacancies with Conservatives, C.C.F. and Social Credit followers? On paper an admirable move, but consider how many political enemies a government could make almost overnight by such a novelty.

Here is Mr. X, a Liberal party worker in one of the prairie provinces, for example, agog to fill a Senate vacancy in his own bailiwick. He has done much for the party in the past, and, if elevated to the Upper Chamber, will continue to work for the party, albeit with reduced motivation. But if he is passed over entirely so that the Liberals can introduce a new virtue into Senate appointments, and the party enemy he has fought so hard to keep out of Parliament's front door is promoted via the back door into a $6,000 a year life membership in "the most exclusive club in Canada"—why, at once you have created a core of disgruntled if not infuriated anti-Liberal sentiment in that part of the country.

Multiply this effect by a dozen or a score, just on the eve of a general election, and it sounds like deliberate party suicide.

Another tack is to make the Senate more useful. Already in this session five or six bills have been initiated in the Red Chamber, which in olden days would have been more likely to originate in the Commons. In order to facilitate the procedure, the Senate has consented to welcome Cabinet Ministers to "the other place" in order to enable them to explain the new legislation. But for several cogent reasons, all really momentous legislation will continue to be originated in the Commons.

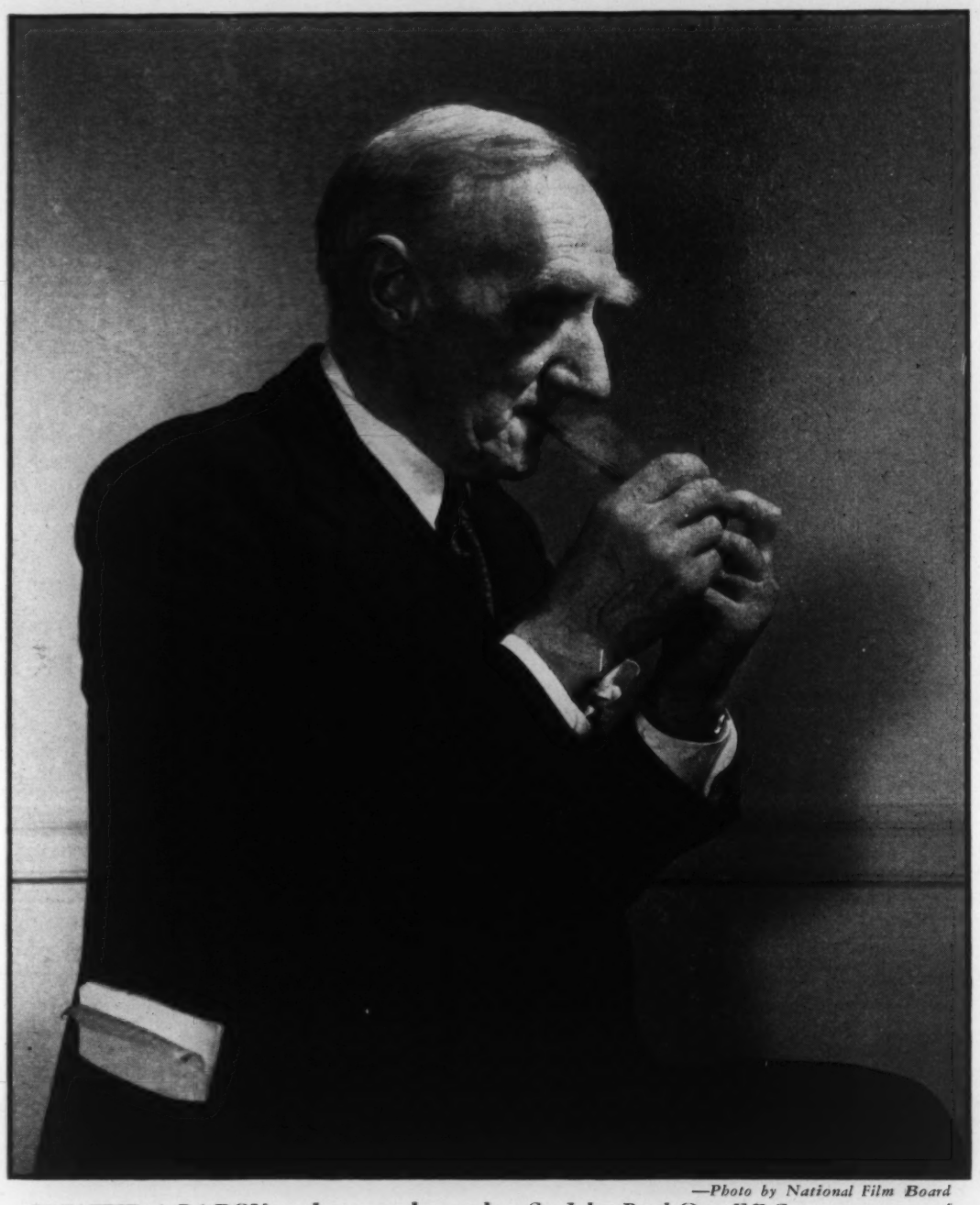
•

The Colorful Comeau

SO FAR the only novelty in Senate policy introduced by the new Prime Minister is the appointment of men over seventy years old to the Upper Chamber, all three of the most recent elevations coming within this category. Any notion that men over seventy lack liveliness and lustre is, of course, dispelled by observation and the contribution made to the Red Chamber by Joseph-Willie Comeau, of Digby-Clare, as colorful a character as Ottawa has welcomed in some time.

Illustrating the rich mosaic of Canadian backgrounds, Comeau related that his great-grandfather on his mother's side left his birthplace, Cherbourg, for Santos, South America, on a merchant vessel, which on the return voyage encountered an English fleet south of Newfoundland. It was during the War of 1812, and in the resulting engagement the French merchantman lost 17 of their men and Comeau's ancestor got a bullet through his leg. He and three others of the crew were brought to Halifax and put in jail on the North West Arm, at Melville Island.

Three years later they were put to work on a highway close to Halifax. They escaped by sea but being forced to land in Shelburne county they were again arrested and jailed. While a cutter was taking them back to jail at Halifax, Comeau's great-grandfather got the guards drunk with rum, escaped, and made his way across Nova Scotia to East Pubnico, where he found French-speaking settlers, and was hired to teach school for eight dollars a month. After a few months of this, he bought a small schooner and started to trade along the Maritime coast, later turning to ship-building, during which he built seventeen large schooners. In 1843 he was appointed to the Nova Scotia legislature and later fought alongside of Joseph Howe for responsible government. A vivid page of Nova Scotia lore!



—Photo by National Film Board

CREATED A BARON in the recent honors list, Sir John Boyd-Orr, F.R.S., etc., is one of the world's most famous nutritionists. He was first Director-General of the Food and Agricultural Organization which came into being before U.N. and retired from this post in 1948. A special program devoted to his work will be heard on the C.B.C. on Feb. 16.

Passing Show

THERE is a demand for the appointment of more energetic and less elderly persons to the Senate. What is wanted is more young Fogos and fewer old fogeys.

•

Australia is suffering from the worst plague of rabbits in history—and the Labor government is not producing them out of a hat either.

•

Prince Aly Khan is getting his divorce, but it looks as if Rita Hayworth will get the Aly money.

•

A Vancouver lady, annoyed at a new regulation which prevents her from taking her dog on the streetcar, says the Vancouver public are becoming just a flock of sheep. But even sheepdogs are apt to clutter up a streetcar.

•

Margarine must be an awfully good imitation of butter if it has to be colored purple for people to tell the difference.

•

"Should a girl marry a man whose income is irregular?" asks the Montreal *Gazette*. Well,

if it only varies between $50,000 and $500,000 she might consider him.

•

In China they seem to be hanging an Iron Curtain in the Open Door.

•

It is often pointed out that we could save a lot of money by not having wars. But we should have to have wars to decide whom we were saving it for.

•

Balanced Diet

Two things I regularly take
After my bite-and-sup:
A cigarette to tear me down,
A pill to build me up. J.E.P.

•

Only 5½ per cent of U.S. sales executives earn less than $6,000 a year. We should think not; we wouldn't hire a sales executive who couldn't sell himself for more than that.

•

An educationist says Americans are becoming a sit-down people; and that's no lie.

•

Lucy says that her Republican friends in the U.S. are peeved about all this expenditure on the White House. All it needs, they say, is a new tenant.

SATURDAY NIGHT
THE CANADIAN ILLUSTRATED WEEKLY
Established 1887

EDITORIAL BOARD

M. R. SUTTON ..... *Publisher*
B. K. SANDWELL ..... *Editor-in-Chief*
P. M. RICHARDS ..... *Managing Editor*

JOHN YOCOM, *Asst. Managing Editor*; WILLSON WOODSIDE, *Foreign Editor*; WILFRID EGGLESTON, *Ottawa, Editor*; JAY MILLER, *Washington Editor*; BERNICE M. COFFEY, *Women's Editor*; HERBERT McMANUS, *Book and Travel Editor*; MARY LOWREY ROSS, *Film Editor*; PHYLLIS ARCHER, *Copy Editor*; PAUL DUVAL, *Art Editor*; PETER DONOVAN, *London Correspondent*; RODNEY GREY, *Asst. Financial Editor*; JOHN M. GRANT, *Mining Editor*; GEORGE GILBERT, *Insurance Editor*; JOHN L. MARSTON, *London Financial Correspondent*; HAZEL G. WATSON, *Editorial Secretary*; C. N. FOY, *Advertising Manager*.

SUBSCRIPTION PRICES: Canada, Great Britain and all other parts of the British Empire $4.00 one year; $6.00 two years; $8.00 three years. United States and possessions, Mexico, Central and South America, France and Spain, add $1.00 for each subscription year to Canadian price. All other countries add $2.00 for each subscription year to Canadian price. Newsstand and single issue price, 10c per copy.

SATURDAY NIGHT does not permit reproduction or condensation of any of its contents (which are fully protected by copyright) by any "digest" magazine.

Advertising contracts are solicited and accepted by this business office or by any representative of SATURDAY NIGHT subject to Editorial approval as printed in our contract accepted by the business office, its branch offices or its advertising staff—to cancel same at any time after acceptance—and to refuse publication of any advertising thereunder at any time such advertising is considered by them unreliable or otherwise undesirable.

Authorized as second class mail, Post Office Department, Ottawa.

Published and printed by
CONSOLIDATED PRESS LIMITED
73 Richmond Street W., Toronto 1, Canada

M. R. Sutton, President; Roydon M. Barbour, Executive Vice-President; E. R. Milling, Vice-President and General Manager of Publications; E. L. Patchet, Treasurer; D. W. Turnbull, C.A., Executive Secretary and Comptroller.

C. T. Croucher, Business Manager — **John F. Foy, Circulation Manager**

MONTREAL, Birks Bldg.; VANCOUVER, 815 W. Hastings St.; NEW YORK, Room 512, 101 Park Ave.

Vol. 64, No. 19 — Whole No. 2912

The Front Page

(Continued from Page One)

aration and in the form of a bare name and a large figure. Thousands of Canadians will never know any more about this item than the fact that Mr. Thompson received $172,000, described as legal fees and listed along with some easily understandable charges by eminent lawyers who are known to have handled important Dominion cases before the Privy Council.

Side Door for Eire

CANADA is indeed a fortunate country. How fortunate she is in comparison with such effete and ill-governed nations as Great Britain, France, Belgium, the Netherlands and other lands in their immediate vicinity can only be realized when we recall that in the event of a war between Canada and "a Communistic nation" we, and we alone in all that long list, can count upon the military, naval, aerial and strategic support of the Republic of Eire, without having to wait until the island of Ireland is departitioned, as all these other countries are obliged to do.

So at least does the Montreal *Star* interpret the refusal of Eire to enter the North Atlantic Security Pact combined with the commitment of Premier Costello, when in Canada a few months ago, that Eire would come to the help of this country if threatened by a Communist foe. That was an unconditional promise. The *Star* thinks it means that Eire will go to war if Canada is threatened by a Communist enemy. We should hesitate to go as far as that. But at least it should make it possible for us to sound out the Eire authorities as to their willingness to enter into a treaty, not exactly of non-aggression, but of mutual defence against aggression. Now that the King is no longer the agent for diplomatic relations on the part of Eire, the thing could actually be called a treaty, which we suspect would cause great gratification in Dublin; for the sole objection to "treaties" between component nations of the Commonwealth has been the doctrine that the King cannot make treaties with himself.

This would have the immense advantage of enabling Eire to enter the North Atlantic Pact by a side door, for Canada will certainly not go to war with a Communist nation without the aid of her fellow-members of the Pact, and if we are all at war together it will not greatly matter whether Eire is helping all of us or merely Canada. The whole object of Eire, of course, is merely to avoid all appearance of helping Great Britain; but so long as Eire helps Canada, Canada helps Britain, and Britain helps all the other members of the Pact we shall not get along too badly.

No "Hotbed" Charges

WE ARE glad to note that President Watson Kirkconnell has repudiated in the most specific terms the interview attributed to him in which he was made to say that several (named) Canadian universities are "hotbeds of Communism." As we pointed out last week, the expression is not only misleading, but of poor literary quality, and we should perhaps have been on our guard against accepting the attribution of it to a poet of President Kirkconnell's standing, knowing as we well do the nature of interviewing as practised on this continent. But as the President in his letter to the *McGill Daily* points out, the interview was so worded as to give the impression that the words were used "in a public address," about which newspapers are somewhat more careful.

The Cultural Commission

IT NOW appears fairly certain that it is not the government's intention to use the projected Cultural Commission as a device for pigeonholing any really urgent problems such as television and the control of broadcasting stations. With that point cleared up, we can only express our hearty approval of the idea of setting up such a commission and of giving it very extensive fields of investigation. The injection of Dominion activities into the cultural life of Canada is a matter of very recent development, and it is not very long since the control of copyright by the Department of Agriculture and of a rather pathetic collection of works of art by some equally non-cultural branch of the government was almost the only contact that the national authority had with the arts or the intellectual processes of the people. The Dominion's cultural activities have grown up haphazard and in response to urgent but unrelated necessities, and some basic principles to guide our cultural guides are badly needed.

One thing with which we trust the commission will concern itself is the question of some kind of public recognition for achievement in the cultural sphere. Honorary degrees from universities and memberships in learned or artistic societies are not a perfect substitute for recognition by the Crown—and by the Crown we mean the Crown in the right of the Dominion of Canada. The Canada Medal awaits its first recipient, and now may well await him or her until the principles controlling the selection of medallists have been devised and recommended by the new commission.

Another very proper subject of consideration is the making of some provision for the old age of persons of exceptional talents who have devoted those talents to the less remunerative forms of cultural activity (such as poetry or modernistic art) while their fellow-citizens of no greater talents were laying up treasure in the safety deposit boxes of the banks. By the time such a person has reached the age of sixty-five it is usually not difficult to decide whether his work has been creative and valuable or merely derivative or wrongly directed. The Canadian Writers' Foundation has rendered important service in this field on a limited scale, but Canada is still far from looking after its aged cultural workers as most other countries do.

IT'S OBVIOUS

Who Runs the Ship?

ANY more difficult problem than that which faces the arbitration board now considering the difference between the Shipping Federation of Canada and the Canadian Seamen's Union it is impossible to imagine. The union claims that the "job security of all seamen" depends on the prohibition of all notations as to character on the discharge papers given to the worker on leaving his employment. The employers claim that the discipline of their personnel, and in consequence the safety of their vessels, depends on their being correctly informed as to the past behavior of their employees. We do not see how the two positions can be reconciled.

In essence the dispute is over the question who shall control the selection of the men employed in non-licensed positions on the vessels in question. The representatives of the union insist that all hiring must be done through union hiring halls, and that "any attack on these halls would create a chaotic situation where some of our members would never have the opportunity to sail". The employers claim that the union halls are inefficient in providing men, and frequently insist on men being taken whom the employers know to have bad records.

It is obvious enough that the right to reject men on character grounds makes it possible for men to be blacklisted. It is equally obvious that the right to compel the employer to take union members without regard to character makes it possible for discipline to be grievously impaired. The question of notation of discharge papers is supposed to be dealt with by the Canada Shipping Act, and the owners claim that the union is violating that Act by instructing its members not to accept any notations as to character, and expelling members who do so; also that the Department of Transport officials have "misconceived their authority" in instructing shipping masters not to make such notations. The union puts a different interpretation on the law, and an authoritative statement of the meaning of these clauses — or a clarification by parliament — would seem to be urgently needed. That it will satisfy both parties is too much to hope.

This is actually the fundamental issue in the current conflict between organized labor and the employers in almost every type of employment; it merely happens to be more serious in navigation because of the nature of the work. It can be settled peacefully only in conditions of great mutual confidence between the parties, and those conditions do not obtain in the navigation industry at the moment.

A Reader's Handbook

THE Oxford Companion to English Literature has long been an indispensable part of the equipment of the serious student of that subject. A few years ago the Oxford University Press produced a similar Oxford Companion to American Literature, of which the second (and much enlarged and improved) edition has now appeared ($7.50). The book's scope extends to "the major Canadian literature", and foreign authors are noted when they have written importantly on United States subjects, but this latter treatment does not extend to Canada; André Siegfried is mentioned for "America Comes of Age" but not for his book on the Dominion.

The treatment of our "major" literature is on the whole adequate; Mazo de la Roche, Morley Callaghan, Ralph Connor, L. M. Montgomery and Martha Ostenso are among the novelists, and Carman and Roberts get a fair showing among the poets. We are not disposed to complain of the absence of William Wilfrid Campbell, but E. J. Pratt should have come to the editor's attention in time for this edition if not for the previous one, and Lampman deserves much more than five lines, while the entire omission of Duncan Campbell Scott is a serious error of judgment. There are synopses of a number of the more important American novels, and much general information such as the list of the Pulitzer prize-winners for thirty years.

The Montreal Seizures

THE immediate results of the Montreal raid in the offices of a prominent Communist were so satisfactory that there appears to be a general disposition to overlook the fact that their long-term results may not be nearly so good. Our uneasiness arises from the fact that we can see nothing to prevent the procedures which have been employed against Communists being employed against somebody else at some later date—somebody who may be equally unpopular with the authorities of the province of Quebec but not so generally disapproved of by Canadians in other provinces.

Mr. Duplessis the other day assured some distinguished legal visitors to his fair province that there was no possible danger of tyranny in the Padlock Law—which is the mechanism by which the Communists have just been dealt with—because its operations were always subject to the courts. He did not enlarge on this point, and we have not yet been able to figure out how anybody whose property was seized and whose office was padlocked in the recent raids could have appealed to any court if he had wanted to, or what good it would have done him if he had. Whatever decisions were involved seem to have been wholly confined to the Attorney General's department, and however great and impartial and high-minded that department may be, it is not a court and in any British and democratic sense it never can be, though it might pass for one in the Union of Socialist Soviet Republics and no doubt would have done in Hitlerian Germany.

The seized articles included some hundreds of copies of *The Canadian Tribune*, a newspaper for which we have rather less respect than we have for the Moscow *Pravda;* but the fact remains that it is a Canadian newspaper, lawfully published in the province of Ontario and employing (we understand) the services of two members of the Ontario Legislature. (That no other members of that body will sit near them has nothing to do with the case, and might of course be due to their suffering from a much advertised disability known as B.O., though we have no proof that it is.) These copies have a monetary value; they cost something to produce, they are offered for sale, and their sale has not been declared unlawful by any Canadian court even in Quebec. They are therefore property, and the individuals concerned have been deprived of their property by direct action of the government of Quebec without recourse to any court.

It is advanced as a sufficient justification for these proceedings that the persons deprived are Communists and that the property is Communistic. But it is not unlawful in Canada to be a Communist, and the Quebec legislature cannot make it unlawful; the Quebec legislature can only take away the property, and padlock the premises, of a person whom the government of Quebec believes to be a Communist. And we do not like the idea of the Quebec legislature passing laws to take away the property of a person who is not doing anything contrary to the laws of Canada.

That sort of thing will not stop at Communists, and nobody knows who may be the next people in line for padlocking.

The Case of the Blind

THIS is the season of the year at which we are annually reminded of the special debt which we owe to the blind, and of the many ways in which we can help to discharge that debt, not least by supporting the work of the Canadian National Institute for the Blind. There can be no doubt that the comfort, the freedom and the usefulness of the blind in this country have been vastly increased within the past ten years, and that this has been achieved largely by better public understanding of their problems, brought about through the work of that great service organization—a fine demonstration of the fact that volunteer effort is quite as necessary as governmental effort in solving the problems of the handicapped. There still remains much to be done.

A WINTER LAMENT

("No cure has yet been discovered for that bane of industry, coryza, or the common cold."—Medical Item.)

HOARSE am I when the first snow falls;
Hoarse am I till it finally goes.
The fare for which my trouble calls
Is sulfathiazol drops in the nose.
My hankie's full of a camphor smell—
(They say it's strong, but I cannot tell);
My hankie's poised, I'm ready to blow:
(My odor's high, but I'm feeling low),
And I'll sniff and sneeze
With a dauntless ease
That only coryza patients know.

Spirits of camphor, menthol, pine!
Spirits of stuff that costs me dough!
Grant to this running cold of mine
An early ebb for its steady flow,
Give me the boon of feeling fine,
And grant surcease from watery woe;
Give me once more a desire to dine,
And stop my sinus from aching so!

J. E. P.

The Germ Idea Behind Western Union Must Be More Than Passing Fear

By LEOPOLD KOHR

The concept of federation that prompted the ill-fated League of Nations, the U.N., and, so far, Western Union, has had an unhealthy basis. For permanency any federation of states must be held together with something stronger than the fear of aggression from some other power. History gives us some prime examples of successful federation—Switzerland, United States, and Canada. Since the latter two countries are participating in current negotiations for the North Atlantic Security Pact, the extension of European military cooperation, this theory for Western Union survival is particularly pertinent now.

In each case where federation has worked the small cell theory has been followed; where it wasn't, failure resulted.

Breaking the Western Union members into small enough states to prevent resurgence of regional nationalism is the safe method, says this writer, who is a member of the staff of the Department of Economics at Rutgers University, New Brunswick, New Jersey.

THE last thirty years have produced three important international experiments of federation: the League of Nations, the United Nations, and the Western Union.

The first has failed to an extent that the contention needs no further proof. That the second, the United Nations, though officially still in existence, is still far from complete success is amply proved by the fact that some of its own members, in order to protect themselves against some other members of the same organization, felt obliged to create the third. That leaves the Western Union the only one in the field with a prospect of survival in the immediate future. The only question is for how long.

There can be no doubt that the Western Union will last as long as the cause which brought it into existence: the fear of Russia. But this gives little consolation to the true unionist or federalist who desires an international union not as a passing emergency measure but as a structure of permanence, outlasting the danger that has created it.

This, then, is the important question: Can the Western Union evolve into a permanent international body such as the Swiss, Canadian, South African, Australian or American federal unions, even after the threat of Russian aggression has disappeared?

The answer to this question, after a mere glance at the political map of the Western Union, can be given at once. It is an unqualified: No.

Prerequisite of Survival

But why should it be possible to give such a negative answer so fast? The reason which the map reveals is that, unlike the many successful international federations, the Western Union does not meet with the fundamental, technical prerequisite of survival. Neither does the United Nations, nor did the League of Nations. True, all three of them could boast of an unusual degree of official good-will and, in addition, all three were favored in their creation by the existence of common external dangers. However, while the will of union and the existence of common dangers produces a propitious set of conditions for the creation of federations, they are of practically no importance for their survival.

(Last week Winston Churchill proposed one positive reason for European nations sticking together—a Supreme Court of Europe to defend the United Nations declaration of human rights. Said Churchill: "These aspirations, shared by hundreds of millions of men in Europe, cannot be achieved without the action of government. There must be a European supreme court to which breaches in the declaration of human rights, so majestically proclaimed at Paris by powers great and small, can be referred, and by which human rights can be defended.")

Dangers pass and with them passes the necessity, and hence the will, for common action and alliances. A well functioning federation must thus be able to exist, not in the presence, but in the absence, of the usual union fostering conditions of good will and external danger.

This is an important point to realize because, if the successful federations had relied on the permanence of such niceties as goodwill and political sense as the basis of their existence, they would long have broken to pieces like marriages built on the assumption of the permanence of honeymoon sentiments. The Boers would have abandoned their union with the English-speaking provinces of South Africa. Quebec would have seceded from Canada. Texas, which joined the United States with reluctance, might have left her with relish, and Colonel McCormick might have persuaded Illinois to follow suit.

Secessionist Instincts

Yet, as things developed, the inherent secessionist instincts of every true provincial, states rightist, or regional nationalist, which wrecked the League of Nations and deprived the United Nations of its purpose, have never produced more than good humored chuckles in the United States or Canada.

The reason for the security of these two federal unions is that they, as well as all other successful federations, have consciously or accidentally incorporated in their organizational structure the fundamental principle of federal survival which is so obvious and yet so generally ignored: the small cell principle, or the principle of the small federal unit.

Thus, a mere glance at the political map of a successful federation such as Switzerland or the United States reveals this principle at once in its beautifully harmonious multicolored mosaic pattern. True, the various cantons or states are sometimes quite different in size, but in relation to the entire union they are all small. While New York may be a colossus compared with Rhode Island, compared with the federation it is quite minuscule, too.

On the other hand, a single glance at the map of an unsuccessful federal experiment such as the pre-Nazi or even the pre-Bismarck German Reich shows immediately the germ of federal destruction: the cancerous overgrowth of one of the federal cells, Prussia. The inevitable result of a union which joins small states with a great power is the destruction of the federation either through dissolution or through centralization, the absorption of the small states by the largest member. In the case of the League of

PLANT A HEDGE THIS SPRING

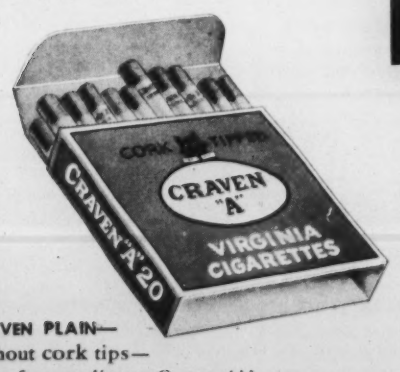
extremely hardy—quick growing Chinese Elm—will grow two feet the first year—enough plants (25) to plant 25 feet. Special price 25 plants for $2.98, 12 inch size; — or, 25 plants for $4.98, 2 ft. size.

Write for New Free Full Colour Garden Guide

Brookdale-Kingsway Nurseries
BOWMANVILLE, ONTARIO

For fine quality, I enjoy Craven 'A' – best of all!

Always and everywhere, Craven 'A' Cigarettes give me real smoking pleasure. They are smooth, cool, fresh—and so enjoyable.



CRAVEN PLAIN— without cork tips— same fine quality as Craven 'A'.

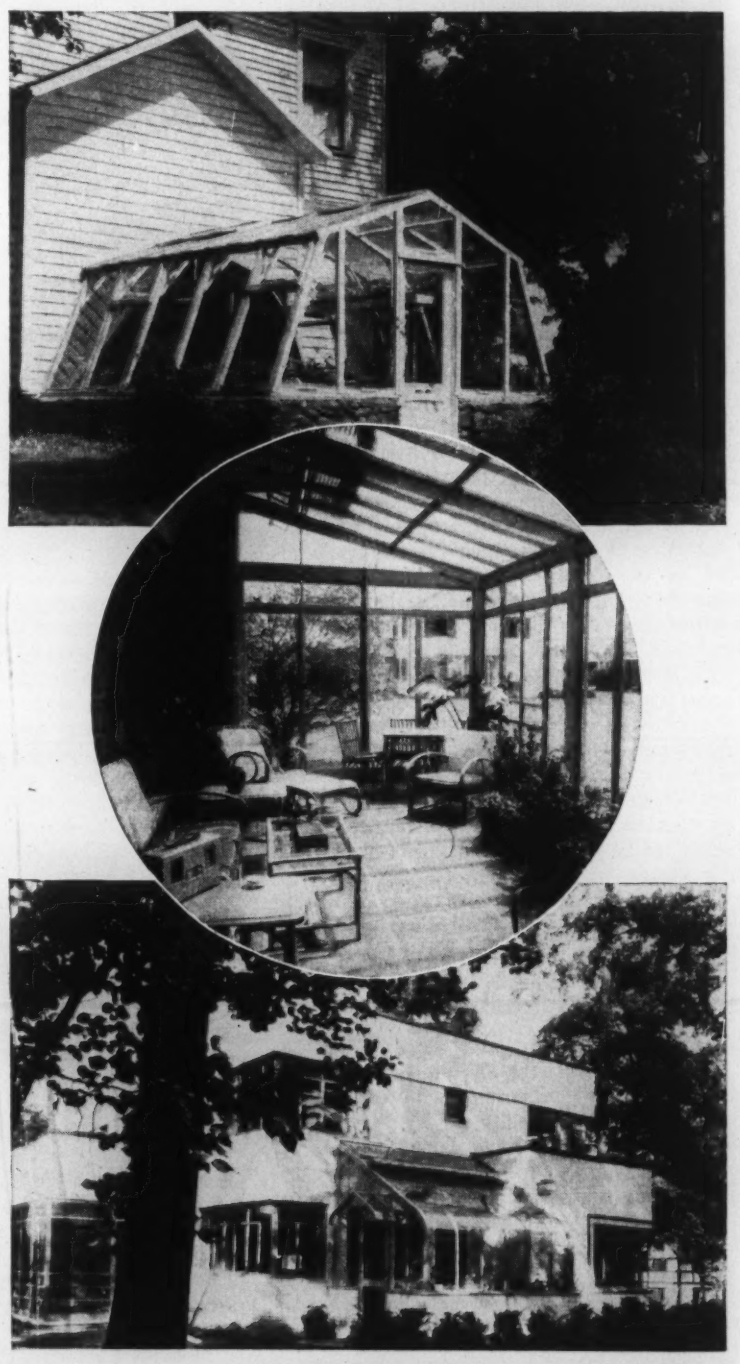
Craven 'A' will not affect the throat

The largest-selling Cork Tipped Cigarette in the world!

CARRERAS LTD., LONDON, ENGLAND—150 YEARS' REPUTATION FOR QUALITY

THINK OF THE PLEASURE

you could be having, right now, from one of these....



....Plan NOW not to miss this Enjoyment in future!

The photographs show you: top, the famous Orlyt portable greenhouse. Ready-made it comes in sections. You can start small and add to it, if you wish; middle, is a glassed-in verandah effect. This can be a more elaborate conservatory sitting room, if desired; bottom, shows a half-span "lean-to" greenhouse, very smart, very compact, and very practical. Let us send you literature. Address Department S.

Lord & Burnham Co. Limited

HEAD OFFICE & FACTORY: ST. CATHARINES, ONTARIO

P-1-49

Nations, the attempted union dissolved; in the case of the German federation, the unity was retained, but not the federation, and what was an association of sovereign German states became eventually a centralized Greater Prussia.

As to the Western Union, its political map shows a repetition, not of the successful Canadian, Swiss, American or Australian pattern of small state organization, but of the unsuccessful German or League of Nations pattern in which a few small states are thrust together with one or several huge national blocks.

No Other Alternative

Because of this, the Western Union, to judge from its political composition alone (comprising as it does the small states of Luxemburg, Belgium and the Netherlands as well as the Great Powers of Great Britain and France), cannot survive as a permanent structure in its present shape.

If it is to succeed, it will have no other alternative than to divide its large members into so many autonomous federal units or cantons that none will have a sizable preponderance over its smaller units such as Belgium.

Why is this necessary? Because only a small cell organization can solve satisfactorily the all important problem of the enforcement of governmental orders without which no political organism can exist.

In order to enforce its laws, a federal government must be slightly stronger than its strongest member state. This is not political theory but administrative mathematics. In a small cell organization, this superiority of federal power over its strongest unit is easily accomplished because even the strongest unit is weak. The federal power in the United States needs thus only to be stronger than the potential power of New York. But if, instead of 48 small states, the United States would be composed of four or five large ones with, let us say, a huge midwestern state of 50 million inhabitants, the marshalling of sufficient federal executive power to govern such a simplified federation would be all but impossible.

In the first place, the costs of the necessary police force would be prohibitive and, in the second place, none of the powerful member states, as the experience of the United Nations proves, would be willing to contribute the funds for an executive organ which would be capable of infringing upon their own power and influence. It needs, therefore, little imagination to realize that a United States, composed of a few great powers instead of many little states, would, exactly like the United Nations, exist only by their grace and subject to their veto.

Though the history of the Western Union dates only from January 20, 1948, it has already produced some samples of typical great power difficulties which are wholly unknown to small cell federations. Nobody in the United States, for instance, will ever protest the appointment of a Chief of Staff on the ground that he is a Virginian or Missourian, or that he is not a New Yorker.

Serious Misgivings

But in Western Union, recent appointments of an Englishman as Chief of Staff and of a Frenchman as head of the naval forces provoked such serious misgivings that both Great Britain and France felt compelled to assure their citizens that the French army would still be commanded by a Frenchman, and the British Navy by a British admiral. This means that, in fact, the Western Union does as yet not exist at all —except perhaps with regard to its small members.

Thus, if the Western Union is to survive as more than just another lesson of failure, it must eliminate its large ungovernable units which block its effective organization, and dissolve them into a number of cantons or provinces small enough to accept, as is so vitally necessary in every federation, an authority higher than their own. If this cannot be done, the Union cannot survive, whatever the determination of its sponsors. The same is true of any other international federation such as the planned

SUPREME COURT: Winston Churchill's latest suggestion for positive European cooperation is a supreme court to defend U.N. declaration of human rights recently proclaimed at the meetings in Paris.

Pan European Union, or a world-embracing United States. None of these has a chance to succeed unless it organizes itself on a small state pattern, thereby eliminating the prestige and emotion dominated mentality, the jealousies, obstinacy and uncooperative aggressiveness so characteristic of Great Powers.

There remains, however, the question as to the practical applicability of the small cell principle, and the very idea of its adoption in a "realistically" minded world is frequently called fantastic. Yet, on closer analysis, this allegedly fantastic principle reveals itself not only as *a* principle of federation but as *the* principle of federation, and not only as the principle of federation but as the principle underlying all government, centralized as well.

Nations Eliminated

When Great Britain became a united kingdom, its constituent cells were not the unequally large, jealous, historic and hostile nations of Scotland, England, Ireland, and Wales, but the equally small countries which replaced and eliminated the nations as political units. But they remained as cultural and linguistic units and none was the worse off for their political division which, as no one doubts today, was the essential condition of a workable union.

When France became a centralized state, she did precisely the same thing, dividing the unequally large and ungovernable duchies she had conquered and replacing them by more than 90 departments. Whenever a county in the state of New York becomes too populous in relation to others, it is subdivided, and recently there was a Canadian suggestion to subdivide for the same reasons the provinces of Ontario and Quebec whose strength within the Canadian federation has become so great that they threaten to introduce the difficulties traditionally clinging to all great power constellations.

All this shows that the small state principle is neither fantastic, nor original, nor new. It is so old that already the ancient Romans have expressed it in one of their beautifully precise formulations: *divide et impera*, divide and rule. And if there is anything fantastic about it at all, it is the dreamy idea of our modern statesmen to think that they can create international governments, unions and federations without it.

hotels — guest houses — cruises

Bermuda
West Indies
Nassau

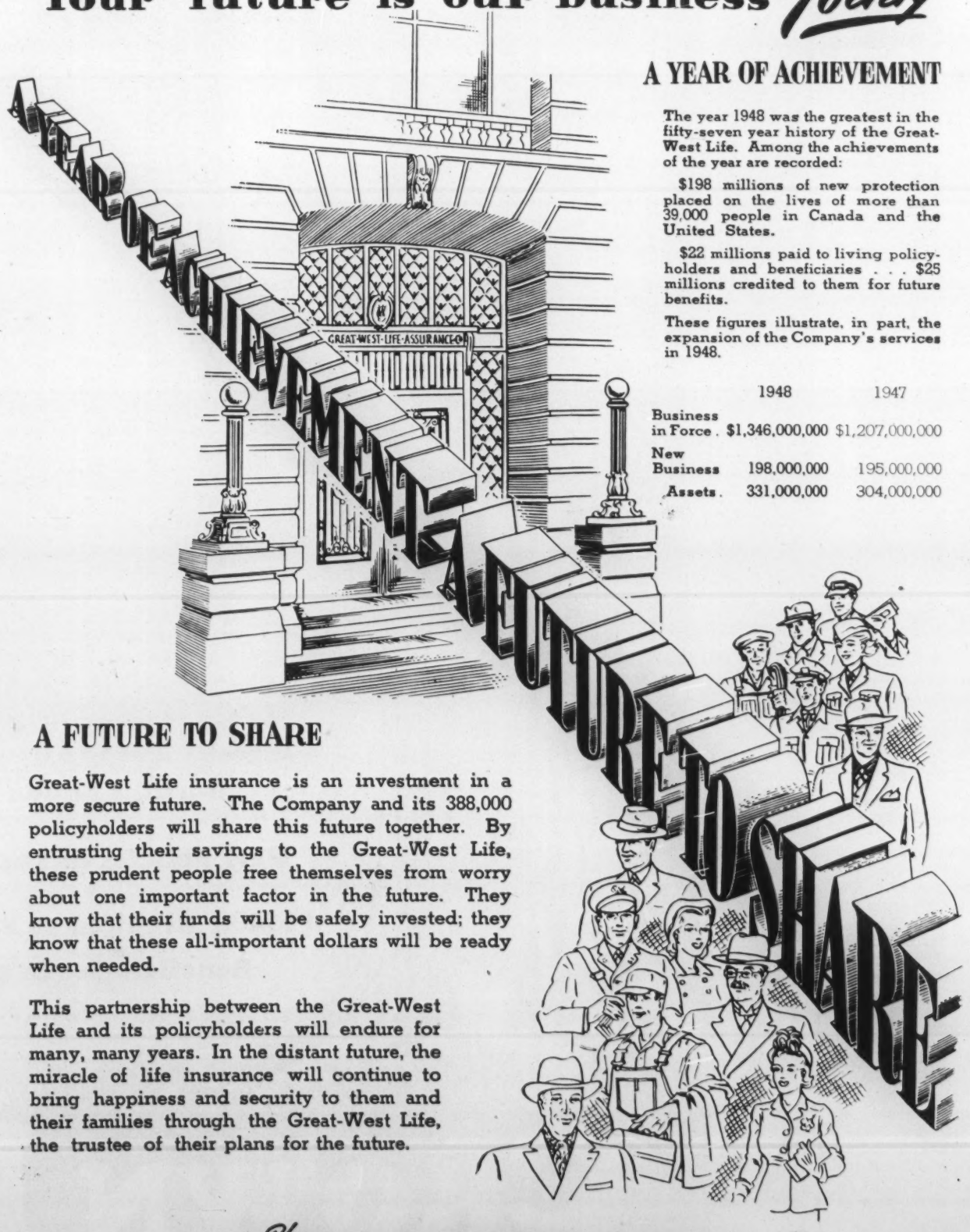
UNIVERSITY TRAVEL CLUB
57 BLOOR ST. W. - TORONTO
Kingsdale 6984
Management: J. F. & G. H. Lucas

SPLENDID OPPORTUNITY FOR A YOUNG EXECUTIVE

Progressive retailing and manufacturing organization in Toronto needs the services of a smart young man, 25 to 35. Some experience in the house furnishing field and a practical or theoretical knowledge of business management are desirable, but not absolutely necessary. Applicant should be of good address and fair education. A selling personality will help.

The right man will be trained technically. If after a fair trial he is suitable, a senior position will be open to him. Good salary to start. Write fully to Box 116, Saturday Night, Toronto.

Your future is our business Today



A YEAR OF ACHIEVEMENT

The year 1948 was the greatest in the fifty-seven year history of the Great-West Life. Among the achievements of the year are recorded:

$198 millions of new protection placed on the lives of more than 39,000 people in Canada and the United States.

$22 millions paid to living policyholders and beneficiaries . . . $25 millions credited to them for future benefits.

These figures illustrate, in part, the expansion of the Company's services in 1948.

	1948	1947
Business in Force	$1,346,000,000	$1,207,000,000
New Business	198,000,000	195,000,000
Assets	331,000,000	304,000,000

A FUTURE TO SHARE

Great-West Life insurance is an investment in a more secure future. The Company and its 388,000 policyholders will share this future together. By entrusting their savings to the Great-West Life, these prudent people free themselves from worry about one important factor in the future. They know that their funds will be safely invested; they know that these all-important dollars will be ready when needed.

This partnership between the Great-West Life and its policyholders will endure for many, many years. In the distant future, the miracle of life insurance will continue to bring happiness and security to them and their families through the Great-West Life, the trustee of their plans for the future.

The GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG

WASHINGTON LETTER

Real Soviet Peace Offer Wanted But No Parley in Stalin Locale

By JAY MILLER

Washington.

STALIN'S offer — through a newspaper correspondent instead of diplomatic channels—to meet President Truman at any one of several places behind the Iron Curtain has been evaluated as just another Red propaganda shot in the Cold War. The United States, however, would not be averse to a Truman-Stalin conference, provided it was at a mutually satisfactory meeting place and other powers were represented.

Secretary of State Acheson, with the full backing of the President, pointed out that Russia has ignored the proper channels for a *bona fide* peace bid and that the machinery of the United Nations is ready any time the Kremlin really is sincere. President Truman reiterated his invitation to Premier Stalin to come to Washington and Mrs. Eleanor Roosevelt has recalled that the late President Roosevelt always thought that the Azores was one of the best places for international conferences.

Apart from some misgivings about secret agreements that were made at Yalta and other recent international conferences, the United States has had an unhappy history of presidential conferences abroad.

The choice of a place for leaders of nations to get together appears to be almost as important as the negotiations themselves. The late Harry E. Hopkins was quoted in Robert E. Sherwood's "Roosevelt and Hopkins" on the Yalta Conference:

"I told the President . . . that there was not a chance of getting Stalin out of Russia . . . and that we might as well make up our minds first at least to go to some convenient point in Russia—preferably in the Crimea. The President was not opposed to this, but in view of the forthcoming elections, considered it to be unwise. He felt it to his political disadvantage to indicate Russia as a place of meeting."

Then, Hopkins expressed a view that has since been echoed by others about the latest Stalin proposal:

"All of the President's close advisers were opposed to his going to Russia; most of them did not like or trust the Russians, anyway, and could not understand why the President of the United States should cart himself all over the world to meet Stalin."

Bulges in Hip Pockets

As an example of the treatment President Truman could expect if he were to confer with the Soviet leader in Russian-dominated territory, Hopkins recalled that at Teheran Roosevelt accepted Stalin's invitation to move to a villa where complete security could be enforced.

"It certainly was enforced," he commented, "for the servants were all members of the highly efficient NKVD, the secret police, and expressive bulges were plainly discernible in the hip pockets of their neat, white coats. It was a nervous time . . . for the White House secret service men, who did not like to admit into the President's presence anyone who was armed with as much as a gold toothpick."

Hopkins also recalled that at a conference between Churchill and Stalin in Moscow in 1942, Iceland was discussed as the place for a meeting of Roosevelt and Stalin.

Early records of presidential conferences abroad were not of the happiest. When President Wilson sailed for Paris in December, 1918, to work out the peace treaty with Germany, the President had left the soil of North America for the first time. There was strong opposition at home to his departure for Paris. Historians believe he would have done better to stay at home and let his assistants do the diplomatic infighting.

Wilson returned from France in February, 1919, because presidential approval of bills was then considered necessary before Congress adjourned. He returned to Europe again, but during his month's absence lost much of his hold over the Paris peace conference. He felt he had been handicapped in Paris by attacks in the French press and false news leaks.

HARRY'S AIDES ARE CALM

Unemployment, Drop in Prices But No Pump Priming

PRESIDENT TRUMAN'S Council of Economic Advisers, whose job is to forestall a depression, came right to bat when the sudden spurt in unemployment and the drop in food prices became evident. Their view is that the nation need not be alarmed that these are signs of another recession or worse.

Dr. Edwin G. Nourse, chairman of the Council, told reporters he believes the situation will straighten itself out without government pump priming. But in case that is needed, the Administration has legislation in readiness that will launch public projects to provide jobs.

The Nourse group was brought together after Department of Commerce figures showed that the total number of jobless had climbed 700,000 in the first week in January to a total of 2,650,000. Secretary of Labor Tobin admitted that unemployment was at a new postwar peak but he said many people laid off recently have returned to work.

MESSRS. TRUMAN AND ACHESON say Russia ignores proper channels for real peace bid.

The dip in prices has reminded

(*Continued on Page* 15)

We'll Help You Keep That Plant Running

An insurance policy by itself won't keep your power plant and boilers running in safe condition. But our inspections—which accompany the insurance afforded by this Company—can help you with that job.

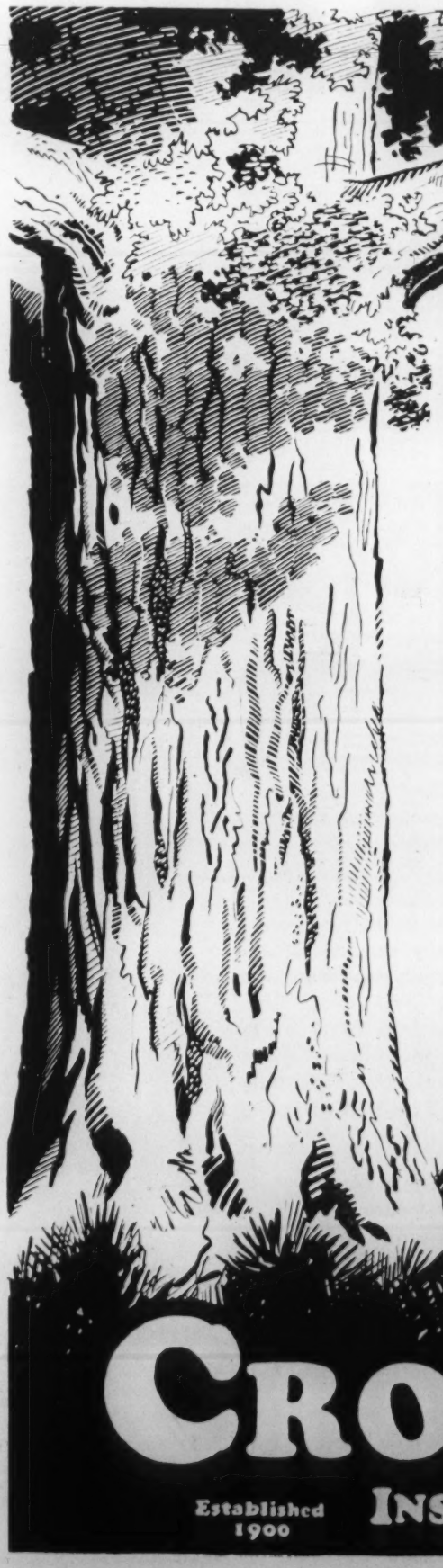
Our experts are trained in the exacting work to which we assign them. And they are available, too, for aiding policyholders in times of emergency.

▶ *Ask your broker or agent.*

20-7

The Boiler Inspection and Insurance Co. of Canada

806 The Bank of Nova Scotia Bldg. Montreal — 350 Bay Street, Toronto, Ont.



STABILITY

"The Company has almost doubled in size in the short space of five years. Its financial position today is stronger than at any previous time." —*From the President's address at the 48th Annual Meeting, January 28, 1949.*

Policies in Force—$614,384,607.00

Assets—$112,512,005.47

Surplus Funds—$8,072,086.55

New Policies in 1948—$121,624,224.00

Paid or Credited to Policyholders and Beneficiaries in 1948—$20,343,222.57

CROWN LIFE

Established 1900 INSURANCE COMPANY Home Office Toronto

How To Get Military Value In U.K. Defence Spending

By BRIGADIER J. G. SMYTH, V.C., M.C.

The proposed North Atlantic Alliance ("an antidote to fear") is in its final stage of preparation. Next stage will be ratification. The alliance would link U.S., Canada, U.K., France, Belgium, Holland and Luxemburg in defence against aggression. Since Canada could be committing herself to a fairly full program of joint-defence, the analysis of other members' military strengths and weaknesses as well as our own, will increasingly become our concern. Here an eminent British soldier and military correspondent frankly discusses the shortcomings of the U.K.'s Army program.

London.

IT WOULD not require a military genius to tell the people of Britain that all is far from well with their armed forces. That fact is perfectly obvious to the meanest intelligence and it has already been the subject of several recent debates in both Houses of Parliament and of some very trenchant criticism by Mr. Winston Churchill and other politicians particularly experienced in these matters.

It would be no exaggeration to put Britain's defence situation in these few words—never have so many paid so much for so little. The defence budget for 1948-49 was $2,524,000,000—an infinitely bigger sum than the country has ever been faced with in peacetime before. The U.K. has no less than 786,900 men and women in the armed forces, including an Army of over 400,000. We have, in fact, twice as large an Army as we had in 1938—and we are not capable of putting into the field today one-third of the forces which were available in 1938. So we are paying heavily for our inefficiency, not only in money but in men. And, in addition, for the first time in Britain's history, she has peacetime conscription which takes the young men from their civil avocations at a time when industry can ill spare them. Yet when a few thousand gangsters in Malaya start "creating" the nation has to scrape the barrel and send out a Guards Brigade consisting very largely of young soldiers, many of whom had had only a few weeks' training.

Unplanned Extravagance

In the R.A.F.—which, in view of the lessons of the war and of Britain's own particular situation, is, in my opinion, the service most vital to national security—conditions are not any better.

However, difficult as it is in these modern times to discuss defence in watertight compartments, I want to confine my attention to the Army. I have already stressed the unplanned extravagance which has produced the present lamentable situation. There can be no excuse now that the world is so peaceful that our military weakness does not matter. The world could hardly be in a more upset condition. Britain's relations with Russia are strained—to put it mildly—and political muddles and lack of imagination have weakened our position in the Mediterranean zone and in the East.

Britain's military strength in the Indian Ocean area and in South East Asia has been weakened considerably by the loss of the magnificent Indian Army which in other days could have sent a division to Malaya quickly and easily in just such a situation as this. But the liquidation of the Empire has been so effectively carried out that the U.K. cannot now count automatically on support from India and Pakistan.

The National Service Act of 1947 provided for a period of 18 months' national service, and the Cabinet is now decided upon certain points of defence policy. These are as follows: —firstly, the era of purely "press buttons" warfare — by means of rockets and other guided missiles—has not yet arrived and armies are still necessary. Secondary, the war of the future, if it does come, will come suddenly and without warning. I am sure these two assumptions are correct, though the first will probably not continue to be true for very long. The roles laid down for the Army are Home Defence, the defence of Empire communications, and the provision of an expeditionary force for service wherever required. And the means to implement this policy, so far as the Army is concerned is the Territorial Army, the Regular Army and the National Service contingents to feed both Territorials and Regulars.

Conscription

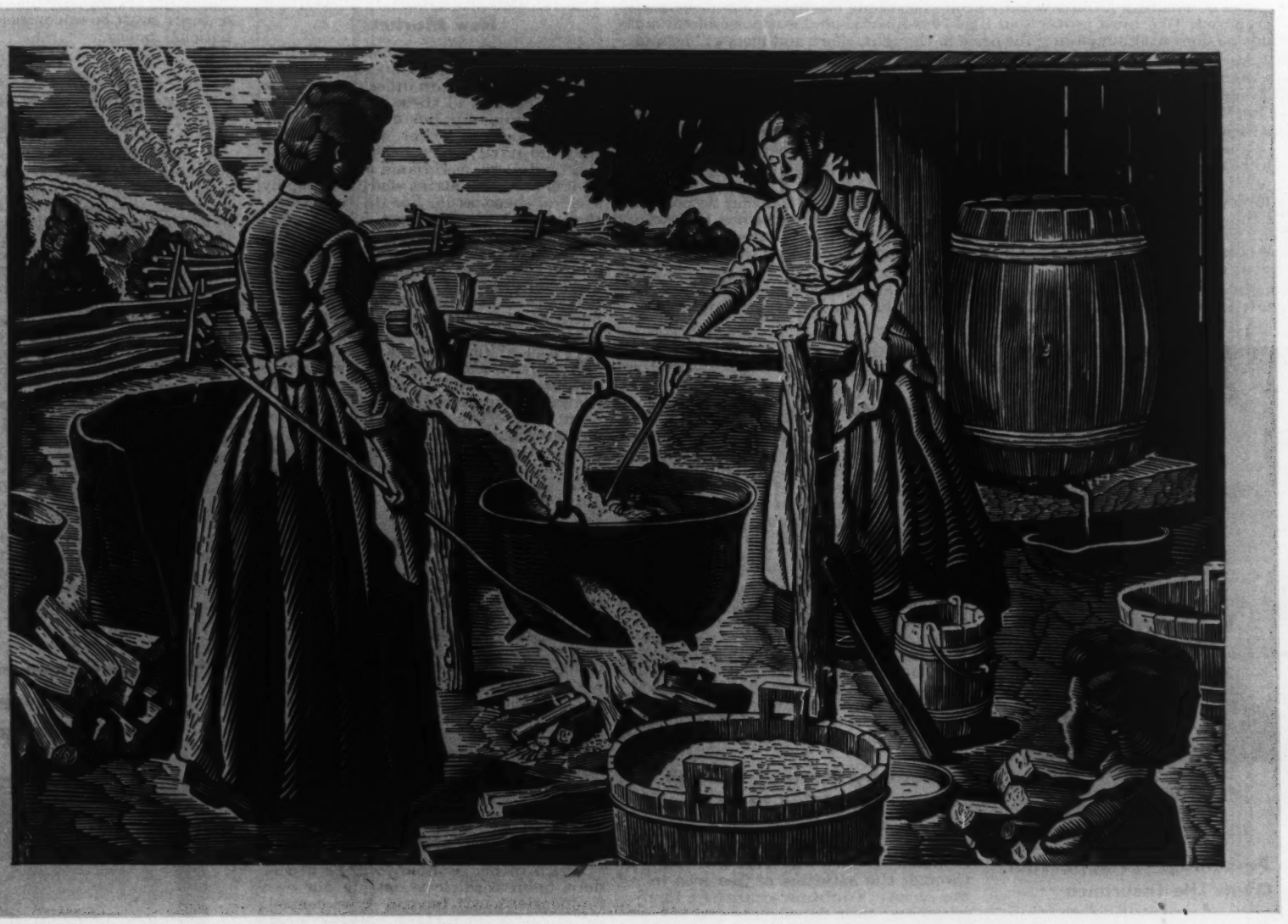
Now in the past I have been an advocate of some form of conscription because firstly the pre-1939 problem was one of over-production in industry with a surplus of man-power; and, secondly, because, by virtue of Britain's island position and her supremacy at sea, she could be fairly certain of some warning period during which Britons could re-train reservists and make them ready for battle. But neither of these conditions now holds good. Britain's very existence depends on increased production and there are more jobs than there are men to fill them. So conscription at the present time is a serious handicap to England's economic recovery. And the citizens can expect no warning period of the future—for the lesson of Nuremburg to any nation contemplating aggression is that it is a hanging matter to be on the losing side. And what aggressor, in these circumstances, is going to give notice of its intentions?

It will avail England little to so organize her modern defence forces that, if war comes upon us, we can crawl from the ashes of civilization and say that we have been victorious. Britain's army of today and tomorrow, small though it may be, must be so super-efficient, so immediately prepared, so mobile and so closely integrated with Empire and Allied forces that it will convince would-be aggressors that war doesn't pay. To say that we can't get sufficient recruits for the Regular Army is just nonsense. If we will offer our young men a real whole-life career in the Army comparable with that open to them in civil life today—with special terms to compensate them for foreign service and divided homes, there will be no lack of recruits of the type we want.

60 YEARS OF ACCOMPLISHMENT

1889 1949

The pioneer woman made her own soap. Water seeping through wood ashes in a barrel or piece of hollow log, produced lye. Soap was made by boiling this lye with fat in an iron kettle. In the soap plants of today, soap is made by boiling vegetable oils with caustic soda (lye). Salt is added to cause the excess alkali and by-products to settle to the bottom. Lye and salt corrode most metal vessels. Corrosion affects the color, purity and keeping qualities of soap. So most vessels and containers are made of Nickel alloys. They resist corrosion, last longer, protect the purity and color of the soap.



Nickel Brings Dollars to Canada

Since more than ninety per cent of the Nickel produced in Canada is sold to the United States and other countries, it brings a constant flow of dollars back to Canada. In fact, Canada's Nickel industry is one of our chief sources of U.S. dollars so essential at the present time to maintain our foreign trade and make available products not produced in this country.

These dollars help pay the wages of the 14,000 Nickel employees, and help provide the dollars which make it possible to pay millions in freight to Canadian railways, to buy timber, steel, coal, machinery and supplies amounting to many millions each year. These millions, flowing into all industries through the length and breadth of Canada, help create jobs for Canadians.

INCO

CANADIAN NICKEL

FIRST PRODUCED IN CANADA IN 1889

"The Romance of Nickel" a 60-page book fully illustrated, will be sent free on request to anyone interested.

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED, 25 KING STREET WEST, TORONTO

Four and a Half Million Canadians Own Life Insurance

Says President Mutual Life of Canada

Encouragement of Thrift Essential in Sound National Policy

Mutual Life Record Outstanding Example of Value of Independence Created Through Personal Effort

Reviews Outlook for Canadians

Waterloo, Ont., February 3rd

"Freedom has been experienced in widest degree in those countries where men have earned their security by their own efforts," declared Mr. Louis L. Lang, President of The Mutual Life of Canada, when addressing the 79th Annual Meeting of policyholders of the Company today. He emphasized that the results of the Company's operations for the policyholders are a very pointed example of the social and economic security which can be obtained through the initiative of free men in a free society.

When dealing with world affairs Mr. Lang expressed the opinion that, although the prospects of avoiding a third world war are becoming brighter, all nations must be well prepared. "We must protect our lives, our liberties and our possessions, and this cannot be done without paying the price in thought, effort and money," he said.

Mr. Lang foresaw continued high production in Canada, the heavy backlog of orders in many lines precluding the likelihood of any serious downswing in the production trend of consumer goods; but, as production increases, the hunt for new markets for Canadian products will in time become more intensive.

A practical and humanitarian interest in world affairs, stabilization of wages and salaries, economy in government expenditures, and a continuous emphasis on the value of thrift, were some of the essentials of wise Canadian policy advocated by Mr. Lang.

Speaking specifically of the progress of The Mutual Life of Canada, he pointed out that the 111 million dollars paid to policyholders in dividends since 1869 were equivalent to 20% of the total premiums received, these refunds reducing substantially the cost of protection and constituting convincing evidence of the Company's low net cost record.

A condensation of Mr. Lang's address, and the address delivered by Mr. A.E. Pequegnat, General Manager, who commented on the Annual Statements, follow:

Mr. Louis L. Lang
President

Large Percentage of Population Owns Life Insurance

Ownership of nearly $13 billion of life insurance by some 4½ million Canadians is convincing proof of the very important place occupied by the institution of life insurance in the social and economic structure of our nation. Basically, there are three major functions performed by a life insurance company: the gathering together of small sums from a large number of people into a common fund to provide protection against the hazards of death and to accumulate savings for old age; the husbanding of these funds through safe and nationally productive investments; and, at the needful time, their distribution to policyholders' beneficiaries or to living policyholders. The efficiency and effectiveness with which these three major functions are performed measure the contribution of the life insurance industry to the nation.

The history of The Mutual Life is truly "A Romance of Co-operation." The financial measure of the results of the Company's operations is before you today. The individual co-operative method illustrated by the successful record of our Company, Canada's original mutual, is in sharp contrast to that envisioned by the "cradle to the grave" philosophy which involves Government financial support in huge amounts and saddles the productive workers with the dead weight of burdensome taxation.

High Returns to Policyholders

In the seventy-nine years since this Company was formed, over $374 Million has been distributed to policyholders and beneficiaries. $112 Million was paid in death benefits; the balance of $262 Million was paid to living policyholders. $111 Million consisted of dividends—refunds of portions of premium payments which served to reduce substantially the cost of protection. These dividends are equivalent to 20% of the total premiums received.

Size, in itself, is not a principal objective of our Company. Through the years our fundamental functions and our principles of operation have remained the same. We have grown because there has been a real need for our product, and the public has found it good.

Security Attained Through Individual Effort

The size of totals presented today is a very pointed example of the social and economic security which can be obtained through the initiative of free men in a free society. To obtain security for themselves and their dependents and yet, at the same time, to remain free, is the goal of men in the greater part of the world. Wherever the individual has turned to the state for security, loss of freedom has been the result. Freedom has been experienced in widest degree in those countries where men have earned their security by their own efforts. If the state were saddled with the contractual obligations of the life insurance enterprise, regimentation of the individual with loss of freedom would surely follow.

Insurance in Force Reaches Billion Mark

The year 1948 was more than just another year for The Mutual Life of Canada; it was a year of memorable achievement. It represents the milestone of a Billion Dollars of Insurance in Force. The provision of economic security to such a large family of policyholders and their beneficiaries did not just happen. It has been said many times that insurance is not bought—it has to be sold. In 1948 insurance protection was extended by this Company to citizens of Canada and Newfoundland at the rate of more than Two Million Dollars per week. This was accomplished by a sales force of 682 full-time and 275 part-time representatives—trained men and women, approaching daily thousands of citizens in all walks of life, in all parts of Canada, discussing their financial needs and arranging insurance programs to meet in the best possible manner the insurance needs of the individual.

World Outlook

There are many dark places in the world today. Asia, with half the world population, is in dire straits; the northern parts of Africa are in a state of confusion. Russia and her satellites occupy a land of mystery, from which little information comes; conditions in Western Europe, although far below normal, continue to improve. The danger of war, which was serious last summer, has diminished and prospects of avoiding a third world war are becoming brighter. Communism in Western Europe is waning. These facts are mentioned because we must continue to be vitally interested in world affairs.

Production Increases Will Require New Markets

Because of conditions existing in Asia and Eastern Europe, a great part of the world is isolated from other parts. There is great need in all these curtained areas for enormous supplies of manufactured goods, food and other necessities, but they are partly or completely closed to the producers, merchants and businessmen of other countries who could supply some of these needs. For the time being, there are such shortages in the great producing countries that there are few surplus problems at home, but as production increases this situation will be more intensive. Canadians are compelled to take a practical, as well as a humanitarian, interest in world problems.

It is clear that those who want peace and wish to avoid war must submit to sacrifices in order to restore the military forces of the democratic nations to a point where any combination of other nations will refrain from attack, and this standard of preparedness must be maintained regardless of cost or personal effort involved.

Business Expansion in Canada

The steady growth in production, national income, trade, capital development and employment in Canada during the past three years has been remarkable. There has been an immense market during the past three years for all that we in Canada and the United States can grow and make. Nevertheless, North America cannot sustain and supply the rest of the world indefinitely, and it should be our aim to assist stricken countries to recover and to resume their natural places in the economy of the world.

Canadian Outlook for 1949

Much of our economy will be dependent upon conditions outside our own boundaries and beyond our control. Activity in important capital goods industries is still high—any appreciable slowing-down which has been apparent being in consumer goods. This may result in competitive markets to a greater extent than has been experienced in the recent past—a condition which will be welcomed by people hard-pressed by prevailing high prices. The importance of maintaining production at the highest possible levels in all fields is apparent in that production and national income are the foundation of our present standards and conditions, providing the base for all improvement and development.

Further Wage Increases Unwise

There have recently been some indicataions of lower prices, leading to the hope that the cost of living may be stabilizing or turning downward. The earnings of corporations and other businesses, considered in the light of their purchasing power, have been just as greatly affected by high costs as has been the housewife . . . If our competitive position in world markets is to be retained, the importance of arresting unreasonable demands for higher incomes is evident. If met, they can only result in delay in the lowering of prices, or even encourage the continuance of the upward trend. New buildings, machinery and the cost of finding markets and many other factors must come out of reserves and profits or progress will be diminished and, in some cases, stopped. In the long run, it is safer policy to accept reasonable wages and salaries in order to permit the accumulation of reasonable reserves to carry productive enterprise through those periods when profits are low or non-existent and to diminish unemployment should markets shrink than to demand and secure all earnings for present division and consumption.

Encouragement of Thrift Essential

A great portion of our tax burden is the result of two wars, the interest on the national debt incurred is a definite factor in all tax bills; there is an increasing demand from citizens for increased social services and capital expenditures. Improvement in social services is commendable and should be continued so long as it is kept within bounds, but otherwise it will slowly but surely destroy our economy. In the long run the Government has no money except what it takes from the people in the form of taxes. Money diverted to unproductive, although necessary, purposes leaves so much less for investment in the expansion of enterprises in all the great fields of production which, when developed, create more employment and provide larger incomes for the people in all parts of the country. Those between approximately twenty and seventy years of age, who are actually working and earning, support and provide for all others, including children, the aged, the afflicted and the unemployed. This is an additional reason why the ancient virtue of thrift must be encouraged in a sound national policy.

Accomplishments Through Free Enterprise

Canada, in spite of some state ownership and control, is still overwhelmingly a free enterprise country. Canadians recognize that governments have their duties in some particular fields of operation which cannot be delegated to private citizens, but the great majority remember that free enterprise and adventure developed the British Commonwealth of Nations and the United States and wish to maintain, improve and expand the system which produced such unparallelled results in these two leading world political, economic and social organizations.

It has been said, but it cannot be repeated too often, that the greatest asset of Canadians is their faith and character. Faith and character have helped them to build the Canada of today, and will help them to prepare for and meet the problems of the future. The same may be said of The Mutual Life. A company that has the inspiration of seventy-nine years of progressive management, the benefits of which have shown so consistently in its results, can be expected to prosper in the years to come.

Statements Analyzed by Mr. A. E. Pequegnat, General Manager

Mr. A. E. Pequegnat
General Manager

Mr. Pequegnat, when referring to the life insurance written in Canada, pointed out that the aggregate life insurance coverage in Canada is the equivalent of the national income for one year. He urged that Canadians consider the lower purchasing power of the dollar today as compared with 10 years ago when arranging their insurance programmes.

The average size policy issued by The Mutual Life has risen from $2896 in 1946 to $3501 in 1948.

Forty per cent of the Company's business is placed on the lives of existing policyholders.

Mr. Pequegnat pointed out that the Company is pleased to be writing a substantial volume of new insurance for moderate individual amounts on young people with modest incomes who are beginning their life insurance programmes.

He emphasized the value of insurance on permanent plans which provide income for later years, as compared with temporary insurance.

Low Lapse Rate

Mr. Pequegnat reported that the lapse rate of The Mutual Life of Canada is outstanding on the North American continent.

Improvement in Mortality

The results of the past year indicate that the economic functions of the nation are finding definite stabilization on a new plane. While earnings on the investments of life insurance companies are no longer available at as high a rate as formerly, the actual mortality experienced among policyholders has, in recent years, shown a definite improvement, thus reducing the actual cost of such protection.

In 1938 the ratio of actual death strain to that provided by the mortality tables used in the calculation of policy reserves was 46.15% and the savings contributed $2,411,000 to the surplus earnings of the Company. Last year, the ratio stood at almost the same rate, 46.34%, but the corresponding mortality saving on the larger coverage was $3,347,000. The average ratio for the ten-year period, which included all war claims, was 53.37%.

Interest Earnings

This generally favorable mortality experience was offset to some degree by a decline in interest and dividends on the Company's investments. In 1938 interest earnings exceeded the amount required to maintain the Company's policy liabilities by $2,226,000. In 1948 this excess interest item stood at approximately $2 Million on investments almost 80% higher. The average rate earned on the Company's invested assets, which stood at 4.68% in 1938, declined to 3.80% in 1948. However, the decline for the past year was but .04% as compared with 12% the previous year and .31% the year prior, thus indicating that the base of the interest earning curve has been reached. This is further substantiated by the trend of average rate of earnings on new investments during the past decade. In 1938 the rate realized on the bond investments of the year was 3.55%. This declined steadily to 2.78% in 1947, but in 1948 increased to 3.12%. Combining all types of new investments, the rates were 4.32% in 1938 and 4.25% in 1948, with the low in 1945 of 3.34%.

Mortgage Loan Investments Increase

The holding of Dominion bonds declined during the year by $9,200,000 and now represents 50% of the Company's assets, rather than 56.6% at the beginning of the year. This decline is offset by an increase in provincial and municipal bonds of $11,800,000 and public utility and industrial bonds of $7,350,000, a gross increase in bond investments of some $10 Million.

Mortgage loan investments increased by over $11 Million, to a total of 49,500,000, representing 15.3% of the total assets, as compared with 12.62% a year ago. These mortgage loans are largely restricted to residential properties and a substantial proportion is supported by the guarantees available in the several categories of the National Housing Act. Not only has the Company made a distinct and widely distributed contribution to the acute housing requirements of our nation, but our policyholders also benefit thereby through the higher interest return available on this type of investment.

Surplus Earnings and Reserves

The Surplus Earnings of the Company last year amounted to $5,538,961, an increase over the previous year of $106,500. Of this amount, $4,728,172 was actually paid to policyholders or is being held to their credit, leaving an amount of $810,790 to be added to the Unassigned Contingency Fund, which now stands at $14,214,500. Additional reserves of over $5,900,000 are maintained to provide for fluctuations in the

LIGHTER SIDE

The Lives Of Miss A.

By MARY LOWREY ROSS

NOT long ago my friend Miss A. dropped in to borrow my black, basic dress and a hat I had picked up at the Winter Clearance sales. She didn't say what she wanted them for and naturally I didn't ask her.

When I went in to see her last week she said she had something to show me and led me into the dinette. The dinette table was spread with photographs of Miss A. Miss A. in outdoor clothing, in indoor clothing, in evening dress (pre-war), in a bungalow apron deep-frying potato croquettes, in my basic dress and winter clearance hat. "Publicity material," she explained. "I'm thinking of running in the Federal Election."

"The Federal Election!" I said. "Why that's wonderful!" I studied the photographic layout. "They're all very nice," I said, "except this one. I wouldn't use this one."

"What's the matter with that one?" Miss A. asked.

"That hat," I said. It was my winter clearance hat, an eccentric model with a rakish line and leftish cant. "The hat and dress don't go together."

"That doesn't matter," Miss A. said. "The dress is conservative and the hat is radical. It's quite the thing to mix them up these days."

I continued to examine the photographs. "Another thing," I pointed out, "there isn't any dog-interest."

"Why should there be dog-interest?" Miss A. asked irritably.

"It's supposed to be very good politically," I said. "Look at ex-Premier King and the late President Roosevelt. They always had lots of dog-interest."

"I loathe dogs," Miss A. said.

SHE got up in a moment and going over to her desk came back with a typewritten manuscript. "It's my political platform," she said. "I haven't worked it out in detail yet but this is the general idea."

"You read it to me," I said.

"'I am in favor of strong, autonomous provincial governments linked to a firmly centralized federal government'," Miss A. read. "'I am also strongly in favor of increased family allowances, while unalterably opposed to the iniquitous principle of using family allowances as a political bribe to the electorate. If elected I would advocate an increase in pensions for the aged and for veterans as well as adequate salaries for teachers. In all these matters however, I shall be guided by the principle that there must be no extra burden on the already overburdened taxpayer. In this field I would urge a tax reduction of at least fifty per cent, particularly at the middle-class level.'

"'I may say that I am strongly sympathetic towards labor, the farmers, white collar workers, consumers, producers and the landlord and tenant groups. If elected I pledge myself to do everything in my power to strengthen both the British tie and our friendly relationships with our fellow-citizens in Quebec. On the national side, I believe in national defence, national housing, national health, national recreation, a national theatre, and the rights of free nationals to make use of the national radio.'" She paused. "Well, what do you think?"

"It's very good," I said admiringly, "You go on the platform with that program and you won't have a thing to worry about except your slip showing."

"My slip never shows," Miss A. said indignantly.

"Well it's something you have to watch for," I said. "It's one of the worst mental hazards a female politician has to face." I added after a moment, "The only thing about your program is, you don't seem to be anti-anything."

"Certainly I am," Miss A. said. "I am anti-Communist, anti-pigeon nuisance and naturally I expect to be anti everything not represented by my Party."

"What Party do you plan to represent?" I asked.

"Won't that depend on what Party calls on me to represent it?" Miss A. asked with a flash of political cunning.

I THOUGHT this over for a little; then I said, "There's another point about your platform—there's no gimmick in it."

"What do you mean, gimmick?" Miss A. asked.

"Something to make it stand out," I said. "Something people will remember. Like, 'I am strongly in favor of coming to the aid of the neglected muskrat farmer.' Then they put your picture in the paper with 'Appeals for Muskrat Farmer' under it and people remember you."

Miss A. frowned, a little doubtfully. "Are the muskrat farmers neglected?" she asked.

"They're sure to *feel* neglected," I said. "Every group does."

"It might be worth making a note of," Miss A. said and went off to get her fountain pen. I turned over a page of her manuscript.

"The candidate is an attractive woman in middle life," I read. "If asked about her hobbies she will say laughingly that her chief hobby is People. 'I am simply fascinated by People,' she admits frankly, 'and often find myself making up stories about the strangers I meet—foolish little stories I'm afraid, and always with happy endings. I can't seem to help it because People, even quite ordinary people, have always fascinated me.'

"'The candidate's other interests include public affairs, home-making and petit-point chair backs. She is passionately devoted to animals—'".

The page was unexpectedly snatched away from me. "It's just the usual press handout," Miss A. said hurriedly. "You have to have them you know, whether you want them or not."

"Anyway it takes care of the dog-angle," I said.

Miss A., still faintly pink, gathered up her papers and put them back in the desk.

"There's another point," I said after a moment. "When you get up on the platform people are going to ask you questions and you have to be prepared to answer them."

"What sort of questions?" Miss A. asked.

"Oh, things about cyclical budgetting and buoyant revenue," I said, "there's always likely to be the odd floating economist at a meeting. The question is what are you going to tell them?"

"Tell them the truth," Miss A. said sturdily. "Tell them that cyclical budgetting is a recently recognized form of financial schizophrenia and buoyant revenue—" she paused. "Buoyant revenue is just the opposite of sinking funds I imagine."

"There's the question of a deposit too," I said. "You realize of course that if not elected you forfeit your deposit."

Miss A. nodded, looking thoughtful. After a moment she said, "Naturally I hesitate a little at the thought of entering the rough and tumble of politics. While part of me is ready to undertake it another part of me tends to hold back. I don't know whether you've ever noticed it or not, but there's a Me that loves a good fight for its own sake, and at the same time a self-effacing Me that shrinks from vulgarity and publicity. Then of course there's the practical Me that sees a thing should be done and goes ahead and does it and the impractical, idealistic Me that just likes to dream and read poetry and watch cloud-pictures, etc. etc." She paused. "The question is, of course, which is the real Me."

"Well at a pinch we might be able to crowd all four of youse into a Federal seat," I said cheerfully.

Miss A. went a little rigid at this vulgarity. "I haven't entered my name as yet," she said, gathering up her photographs, "I'm not even sure I want a Federal seat."

• •

DEVIATION

I AM the soul of integrity,
Perfectly truthful; that is why
I grant myself the luxury
Of an occasional white lie!

MAY RICHSTONE

value of investments. While these contingency funds may appear substantial, they represent but 6.21% of total assets, which is not an excessive margin of security when one considers the violent fluctuation of security values which occurred within the memory of most of us.

New Dividend Scale

Some months ago the basis of surplus distribution for 1949 was determined, and it is gratifying that the results of the year's operations, since compiled, have fully justified the earlier estimates. The new scale provides slightly increased dividends, except at the higher ages and longer policy durations, but in no case will the 1949 dividend be less than that paid in 1948. The new scale should prove highly satisfactory to all policyholders, especially in comparison with the surplus distributed by our strongest competitors, and we trust that it will be possible to continue dividends to our members on this scale for some years to come.

Value of Sound and Systematic Saving

The personal income of Canadians gives every promise of continuing at present high levels. $250 Millions of Compulsory Savings will be distributed throughout the country within the next few months, and in addition, War Savings Certificates in large aggregate amount are maturing month by month. If ever there was the occasion and the need to educate our citizens, especially the younger men and women, in the science of sound and systematic savings, which alone will ensure future prosperity, it is today. Not more than 3% of the income of Canadians is being devoted to savings in the form of life insurance and 10% is looked upon by the best budget analysts as the objective for an adequate life insurance program.

Importance of Life Underwriters

In these days of social unrest, when so much stress is being placed on security, even if it occasions some loss of freedom, what greater service can one render his country than to advise his friends and neighbours how they can provide their own personal and family security without sacrificing the heritage of democratic freedom which is theirs. Viewed from any angle—social, economic, individual contentment, family security, community or nation building, life insurance is good citizenship. A nation of citizens who enjoy the satisfaction and peace of mind which comes from adequate life insurance will never turn to socialism.

Tribute to Staff

The quality of service rendered our three hundred thousand members, on which the Company's splendid reputation through Canada has been established, must be credited to our more than nine hundred salaried employees at Home Office and in our fifty-seven Branch Offices, together with the thousand or more Field Representatives who make daily contact with our great Mutual Family. On behalf of the Executive Officers of the Company, I wish, in this public way, to pay tribute to those loyal members of our official family, Junior Officers, Branch Managers, Department Supervisors, Branch Secretaries, Senior Clerks, Stenographers and other clerks who combine to provide an administration which, for efficiency, economy and character, holds an eminent place among the life insurance companies of Canada.

THE MUTUAL LIFE
Assurance Company OF CANADA

HEAD OFFICE: WATERLOO, ONTARIO

79th ANNUAL STATEMENT

Year ended December 31, 1948

INCOME		
Premiums for Assurances	$26,186,578.32	
Consideration for Annuities	2,121,596.54	
Interest, Dividends and Rents (after provision for possible future losses)	11,460,354.76	
Consideration for Settlement Annuities arising out of assurance policies	1,063,356.63	
Policy Proceeds, Dividends and Other Amounts left with the Company	6,956,357.27	
Net Profit on Sale of Ledger Assets (after applying $1,575,719.55 to reduce book value of securities to stabilize future interest yields)	213,118.06	
		$48,001,361.58
EXPENDITURES		
Death and Disability Claims	$ 7,006,895.04	
Matured Endowments and Surrender Values	5,474,594.86	
Annuity Payments	508,090.21	
Policy Proceeds, Dividends on Deposit and Other Amounts Withdrawn	5,397,277.68	
General Expenses and Taxes	6,416,606.47	
	$24,803,464.26	
Increase in Policy and Staff Pension Reserves and Amounts on Deposit with the Company	17,658,935.59	
		$42,462,399.85
SURPLUS EARNINGS FOR YEAR		$ 5,538,961.73
Deduct:		
Dividends Paid or Allotted to Policyholders	$ 4,428,172.09	
Increase in Provision for Dividends payable in subsequent year	300,000.00	
		$ 4,728,172.09
TRANSFERRED TO UNASSIGNED CONTINGENCY FUND		$ 810,789.64

LOUIS L. LANG, *President*

A. E. PEQUEGNAT, A.I.A., F.A.S., *General Manager*

FEATURES OF 1948 PROGRESS

Surplus Earned in 1948	$ 5,538,962
Total Payments to Policyholders and Beneficiaries in 1948	17,417,752
New Assurances Paid in 1948 (Excluding Annuities and Reassurances)	104,251,898
Total Assets	324,579,480
Total Assurances in Force on December 31, 1948 (Excluding Annuities)	1,017,191,239

Experiment By Collegians: New Method, Old Matter

By F. TEMPLE KINGSTON

There is a new topic in the traditional college bull-session at fraternities and college residences these days: How can Christianity help youth to meet the problems of the future? It is part of a remarkable wave that is being felt upon the Canadian campus — mission committees, new type religious clubs, jam-packed audiences at series of religious lectures, noon-hour addresses, discussion groups.

ONE night last month some twelve hundred University of Toronto men and co-eds were out looking for some answers. So they filed into domed and columned Convocation Hall. Like tens of thousands of students all over the Dominion, they were more or less distressed by the topsy-turvy state of the world. Some were looking forward to graduation next summer, others to the summer after, or the one after that; all were wondering about the shape of the years ahead. Then, from the Convocation platform with the odd layout of the Hall making the audience on several sides of him, a dynamic Englishman told the twelve hundred just what Christianity in 1949 had to offer them in shaping those critical years. The speaker was Bishop Neill, Assistant to the Archbishop of Canterbury and Associate Secretary of the World Council of Churches.

Bishop Neill completely captivated the minds of his audience by his brilliance of intellect and by his clear understanding of the problems facing the modern student. There were twelve hundred at that opening meeting; for his closing talk in the series two thousand jammed into Convocation Hall and many others hung around the baize-covered doors off corridors to catch the address.

University students on several campuses are now giving Christianity a greater chance than they have in many years.

Since the war, Christian ministers in university circles across the Dominion have been visited by an ever-increasing number of students who have come to ask about the Christian Faith and what it can mean for their future. Does Christianity offer a consistent and reasonable way of life? The number of these students, not only veterans but freshmen, just out of school, has grown from year to year.

Recognizing this increased interest, the Canadian Council of Churches has formed the University Christian Mission Committee. The method of the university mission is to bring a picked team of Christian leaders into the life of the university for a period of one week, to substantiate the new-found faith and to encourage others to take the Christian way. Questions are faced honestly; there is no attempt at supersalesmanship. Such missions have been held with marked success at the Universities of British Columbia, Alberta, Manitoba, New Brunswick, Dalhousie and Acadia.

Program of Prayer

As in the other universities, the students of the University of Toronto have shown an increase of interest in Christianity. An evidence of this increasing interest can be seen in the formation of religious clubs by students on the campus. The United Church students began a Forward Movement. Anglican students formed a Canterbury Club. Presbyterian, Lutheran and Church of Christ Disciples Clubs were formed. All of these groups show an ever-growing membership. Their activities include regular worship services and social evenings. Each of these clubs made a personal canvass of the members of their denomination in every college and faculty on the campus. In addition, the Varsity Christian Fellowship and the Student Christian Movement are having a stepped-up program of prayer and study groups. Warden Ignatieff reports larger attendance at Communion Services in the Hart House Chapel than ever before.

Naturally, church leaders are greatly interested in this revival in the University of Toronto—the largest university in Canada—and the Canadian Council of Churches saw fit to sponsor a University Christian Mission during the week of January 16-20. Nothing was spared to make this mission a success. Preparation by prayer, study group and committee, had been going on for two years. Bishop Neill came from England to be the Chief Missioner. He was chosen for his great success in leading missions at the Universities of Oxford and London.

In the Convocation Hall addresses, the Bishop chose for topics—"Has God Anything to Say?", "Who Is This Jesus Christ?", "What Is Wrong With All of Us?", "Make Up Your Mind," and "Living as a Christian." He also delivered a special address on Christianity and International Affairs.

The keynote of his message was a call for decision. Either the coming of Christ was the greatest thing the world has ever known or else Christ was the greatest fraud the world has ever known. It is up to each individual to honestly face the facts and to make up his mind which is true. If one decides for Christ, he must enter into the Christian fellowship with all his soul. The example of Christ must be the guide in every activity of life.

In addition to Bishop Neill, a picked team of 17 outstanding Christian leaders was chosen. These Associate Missioners included such people as Miss Dorothy Beattie, on the staff of the Big Sisters Association, Rev. G. M. Hutchinson, B.D., Secretary of the University Christian Mission Committee of the Canadian Council of Churches, Miss Charlotte Whitton, free lance writer, lecturer, and consultant in welfare problems.

Until 3 a.m.

Each of the Associate Missioners was invited to live with the students in one of the university residences and their chief function was to lead discussion groups in the evenings. One of the Associate Missioners was discussing till 3 a.m. every night of the mission. Many fraternities invited Associate Missioners to speak at their meetings. In addition to this, the leaders delivered noon-hour addresses on such subjects as Christianity and History, Christianity and Race, Christianity and Science and Christianity and My Life.

Professors as well as students attended many of the meetings and joined in the discussion groups. Here was the recognition that if education is to completely nourish the individual, it must deal with the spiritual as well as the secular. Such a recognition within a state-sponsored university is noteworthy.

It is impossible at this point to tabulate the success of the mission. Indeed it can only be determined in the months and years to come in the lives of those who have been affected by it. For one week, the Christian Faith was the main topic of conversation. But the organizers of the mission are well-aware that the work is only beginning.

Discussion groups that are formed will be carried on under student leadership. The permanent religious clubs have planned activities to include those whose interest in Christianity has been awakened. Every Protestant minister in Toronto has been contacted and it is hoped that they will search out the university students in their congregations and make a special effort to bring them into an active life within the Christian fellowship. Above all, in College Chapels and in private devotion, the prayers of the faithful are being offered daily to God—the source of all truth and goodness—in thanksgiving for His work and with the hope that Varsity and every university may function according to His will. In such a course youth may find some of the answers.

The VICTORIA TRUST & SAVINGS COMPANY
Head Office: LINDSAY, ONT.—Branch, CANNINGTON, ONT.
Trustees and Executors
MONEY TO LOAN ON MORTGAGES
INTEREST ALLOWED ON SAVINGS DEPOSITS
ESTATES MANAGED
VT-8-10

Enjoy a Sun-and-Fun
BERMUDA WINTER
at the Finest Resorts!
You golfers will revel in the scenic, championship 18-hole course at magnificent Belmont Manor! And for everyone's pleasure, this famous hotel and its sister resorts offer a host of wonderful facilities. Superb accommodation, service and finest Bermuda cuisine, dancing, cycling, tennis, sailing, ocean bathing, etc. No currency restrictions in this Sterling area.
Theodore Titze, General Manager
BELMONT MANOR & GOLF CLUB
INVERURIE AND COTTAGES
RAVELLO GARDENS
THE REEFS BEACH CLUB
H149-1
See your Travel Agent, call or write
BERMUDA HOTELS INCORPORATED
William P. Wolfe Organization, Representatives,
47 Yonge St., Toronto, Ont., Plaza 3422

MELTING POT

Margarine On Margin

By J. N. HARRIS

Montreal.

OUR great Mikado, virtuous man,
When he to rule our land began,
Resolved to try some means whereby
Butter might be protected,
So he decreed in words succinct that

the manufacture, sale, and consumption of butter substitutes made from animal, vegetable or mineral fats, oils, fibres or from anything else should be made illegal. We were also persuaded to believe that margarine should be regarded as impure, lacking in food value, dangerous to health, and of an inferior flavor.

Word got around, however, that margarine, properly vitaminized, has an even higher food value than butter; that good margarine has a very good flavor, and that it can be put on

Living a Good Life with a Bad Heart

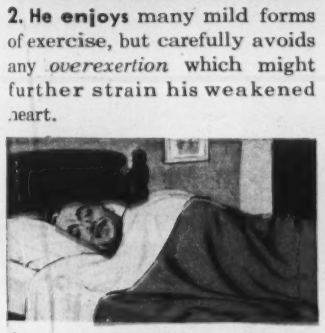
1. To look at him, you would never guess that there is anything wrong with this man's heart. He is just a bit over 50 years old, active, happy, and getting a lot of enjoyment out of life—yet he has heart disease.

Like everyone else his age, his heart had beaten about *one and three quarter billion times.* Of course it was not as strong or as adaptable to sudden demands as it had been in youth, but he had no warning signs of heart trouble.

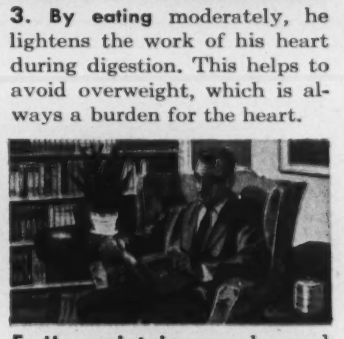
As a result of periodic medical examinations, his doctor was able to detect his impaired heart *early*, when chances for improvement are best. Today, by following his physician's advice, this man can lead a useful life of nearly normal activity.

2. He enjoys many mild forms of exercise, but carefully avoids any *overexertion* which might further strain his weakened heart.

3. By eating moderately, he lightens the work of his heart during digestion. This helps to avoid overweight, which is always a burden for the heart.



4. He is able to carry on his daily work, but allows plenty of time for sleep and rest. His heart then will have a chance to rest, too.



5. He maintains a calm and cheerful outlook, for his doctor explained that fear, worry, or nervousness might make his condition more serious.

MEDICAL SCIENCE has made many advances in treating heart ailments and more research than ever is being done on these diseases.

Participating in this great work is the Life Insurance Medical Research Fund, supported by 148 Life insurance companies in Canada and the United States, which is devoting all its resources to studies of this problem.

For other helpful information about heart disease, send for Metropolitan's free booklet, 29-T, entitled, "Your Heart."

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
Home Office: New York
Canadian Head Office: Ottawa

Metropolitan Life Insurance Company
Canadian Head Office, Ottawa
Please send me a copy of the booklet 29-T, entitled "Your Heart."
Name _____
Street _____
City _____ Prov. _____

the market at a much lower price. In fact:

This stern decree, you'll understand
Caused great dismay throughout the land
For butter sold for much fine gold
Because it was protected.
The man who bought some stuff to spread
Upon his white or whole-wheat bread
Was scientifi-cally bled
He usually objected.

He objected so loud, in fact, that word got to Ottawa about it, and it was even suggested, in both houses of Parliament, that the stern decree should be revoked. This would alienate the affections of a large and influential section of the voters at a time when affections were being alienated Right and Left anyway.

And so we asked our highest court
To render us a quick report
And try to see if this decree
Perhaps was ultra vires.
These legal eagles hold for life
Their jobs; and so, not risking strife,
They margarined our butter-knife,
Then flew back to their eyries.

All of which proved our Canadian genius for compromise, and if you think finding a rhyme for *ultra vires* is easy, just try it. Diaries? Valkyries? They rhyme, but they're tough to fit in.

The happy ending, slightly marred by the intransigence of Mr. Duplessis, who wants to weigh the pros and cons a bit (cons is short for contributions) is really only the end of the chapter. Lurking in the wings, the villain Butter is still twisting his moustachios and muttering "Foiled! Curses!" over his shoulder. He will return.

Colored margarine, he sneers, is an adulterated product, dyed to deceive the public. Let us knock this new attack on the head sharply, at the outset, by asking, "What about colored butter?"

•

THE press releases from Hollywood were all that they should be; muted, sad and dignified. They even had a specious air of understatement. No doubt the highest Hollywood opinion was anxious lest any reference to funeral arrangements should recall Mr. Evelyn Waugh's "The Loved One", and therefore there were no details about the burial in Forest Lawn, if, indeed, that was where it was to be.

If, in fact, Sir C. Aubrey Smith were to go to his last rest in Forest Lawn, it would be only appropriate that a special manor house should be built for him, accurate to the last detail, with grouse moors and a salmon stream hard by, and a terrace where tea could be served. That would be in keeping with the traditions of Hollywood, Forest Lawn and of Sir Aubrey himself.

In the press releases they said that the actor had typified in person and on the screen the distinguished Englishgentleman, and it is likely that millions of Americans will think of him whenever they hear the words "elderly" or "distinguished" used in connection with the term "English gentleman."

Clinging to his status as a British subject through many years in Hollywood, it is probable that Sir Aubrey never really knew what had happened to him. He had been a Varsity cricketer, a Captain of England, and had acted in the best company on the English stage, and no doubt he felt to the last that he was showing the flag and bearing the White Man's Burden among the swimming pools and long cars of the film capital: as Judge, as General, as Country Gentleman, he had built a myth that will die hard in the U.S.A.

There is one thing to be said for it; the majority of Americans probably liked the bluff, hearty caricature of the elderly Englishman that Smith became more than they would ever like genuine English Judges and Generals, and even if he made them more dunder-headed, more arch, and with more synthetic twinkle in their grizzled old eyes than any real-life model, there was little harm in it.

The sensitive might squirm, it is true, but they couldn't work up any violent dislike of the old man. And so there died a character that Somerset Maugham might have found in a remote Outpost of Commonwealth, somewhere in the South Sea Islands, but otherwise was more fantastic than anything in fiction.

FROM THE EDITOR'S CHAIR

Canadian Sermons Seem To Avoid Dogma and Ecclesiasticism

By B. K. SANDWELL

IT IS certainly not wholly coincidence that the two outstanding books of sermons, or sermonic essays, of last year in Canada both deal with the operation of the spirit of Jesus Christ within the heart of the individual human being in any period of history, including today, and both regard that operation as supremely exemplified in the autobiographical and hortatory writings of Paul. This inward and personal experience, rather than any question of dogma or of authority or of ecclesiastical structure, seems to be the main interest of contemporary Christianity. Both books, I may add, tend to treat the Pauline writings as lofty poetry, or rather to select those passages in which the poetic afflatus is strongest; and one, the more popular of the two, draws heavily upon other and more modern poets to reinforce the message.

The more systematic of the two books, that of the Very Rev. George C. Pidgeon, recently retired from the pastorate of Bloor Street United Church, Toronto, actually takes for its title "The Indwelling Christ" (Clarke Irwin, $2.50) and announces itself as chiefly a study of the "escapes", or "flights of insight and inspiration", of Paul, treated as "Poems of the Christian Experience." It is not the controversial part of Paul's work that attracts Dr. Pidgeon, necessary and indeed unavoidable as that part was; "Paul in controversy is never truly and entirely himself."

Nevertheless it is pretty difficult completely to separate the controversy from the poetry, and Dr. Pidgeon devotes a good deal of attention to the Pauline argument on original sin, which sin, he suggests, "appears in the child as soon as he awakens to his relationships with those around him"—the root of sin being "self will, self-assertion against the rights of others or against what we know to be right." There is, he quotes, "a corporate wrongness in which we are involved by being men in the world"; we cannot help being men in the world, but we have the power to extricate—or not to extricate—ourselves from this wrongness by the means which Paul both expounded and exemplified.

Rather More Rhetoric

"No Coward Soul" by David A. MacLennan (Clarke Irwin, $2.50) seeks much the same end with rather less systematic argumentation and rather more rhetoric. The author is pastor of Eaton Memorial Church in the same city, a pulpit with a tradition of concern about modern literature as a vehicle of religious inspiration, and he makes abundant and dexterous use of much fine current writing. Incidentally we may note that he uses for the Bible extracts not the Authorized Version but in some cases the "American Translation" and in others the Revised Standard Version, with an occasional glance at Moffatt. His title is of course taken from Emily Bronte, and much of his preaching aims to produce a realization of the calm courage that flows from acceptance of the revelation contained in the gospel which Paul preached and exemplified. Few people are likely to find both these books equally inspiring, but some will find one more so and some the other, and few Protestants will fail to draw some help from both.

—Photo by John Steele.
REV. DAVID A. MacLENNAN

Poetic Expressions

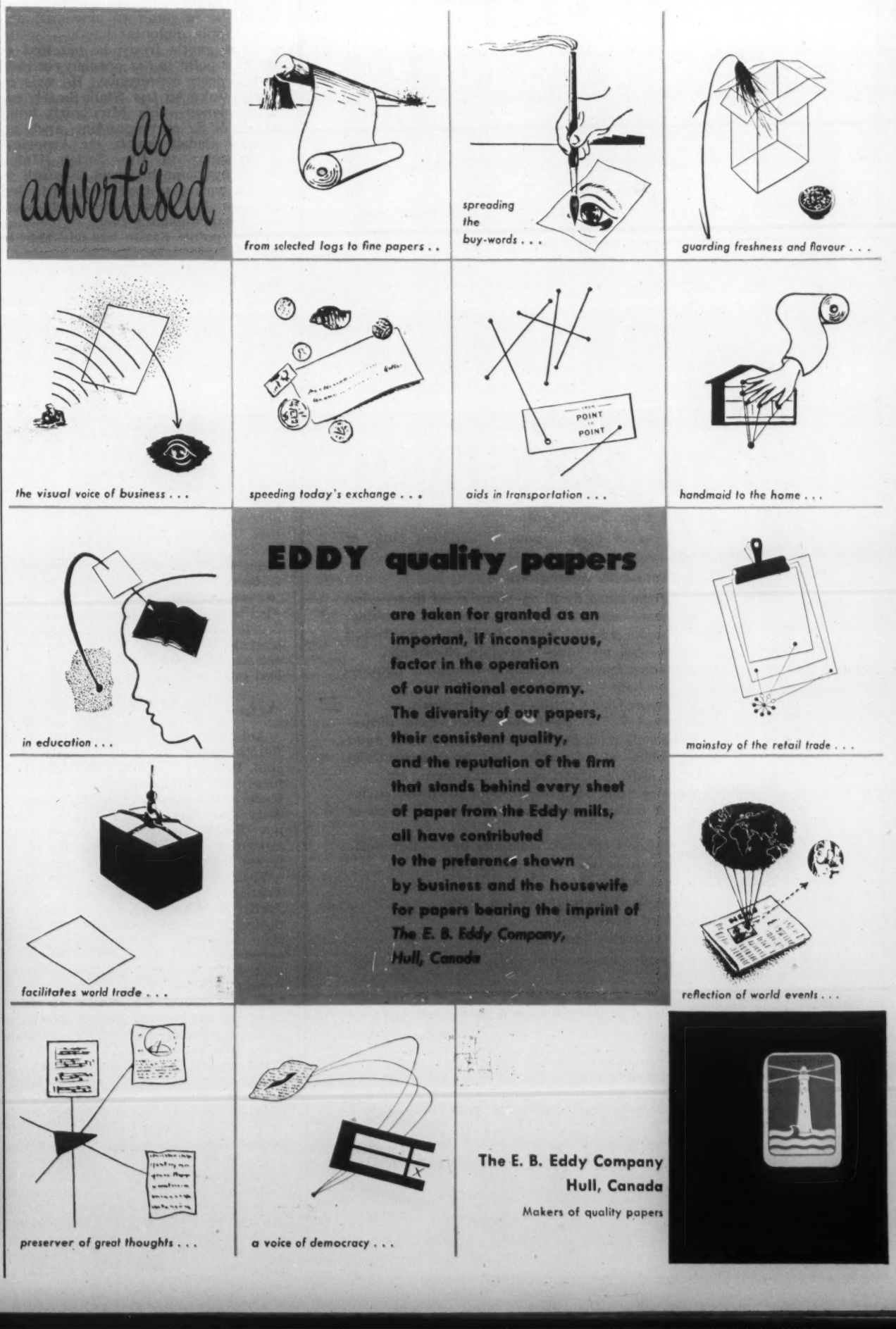
A remarkably beautiful and suggestive English anthology of short poetic expressions on the future life is "Seek Paradise" by Constance Sitwell (Clarke Irwin, $2), which aims "to show that the ideas and beliefs . . . which underlie different religions in different ages . . . have a fundamental likeness". It is interesting to be reminded that Byron had little doubt of personal immortality. Gerard Manley Hopkins was perhaps at his most audacious but not his happiest when he penned:

"Enough! The Resurrection,
A heart's-clarion! Away grief's grasping, joyless days, dejection.
Across my foundering deck shone
A beacon, an eternal beam."

The book opens with Goethe and Kant. How strange that the nation which produced these men produced also, and submitted to, a Hitler, a Goering, a Rosenberg!

VERY REV. GEORGE C. PIDGEON

"Psychiatry and Religion" (Saunders, $3.75) will draw an adventitious popularity from the recent death, at the apex of his influence, of Joshua Loth Liebman, its editor, whose "Peace of Mind" has been so widely read in the last year or two. It is a report of a symposium on the title subject, in which fifteen prominent American leaders of thought participated. Like many such symposia, it contains a great deal of uncoordinated and unrelated material, some of it interesting enough in itself but not the sort of thing one would expect in a discussion on this subject. Experts have a habit of dashing off in all directions, each into his own pet subject. Dr. Martin A. Berezin, for example, discusses at some length the production of psychosomatic disorders in infants who are not fondled while being fed—valuable matter, but what has it to do with religion and psychiatry? Dr. Dawes thinks sex instruction should not be given to young children in mixed groups; we agree, but again what ——? However there is Dr. Brewster to tell us that "The concepts of immortality and heaven cannot be utilized to afford comfort to the bereaved if they are foreign to his religious beliefs;" which sounds like sense, but suggests that it is a pity the bereaved's religious beliefs were not attended to earlier, and not by a psychiatrist.


as advertised
from selected logs to fine papers . .
spreading the buy-words . . .
guarding freshness and flavour . . .
the visual voice of business . . .
speeding today's exchange . . .
aids in transportation . . .
handmaid to the home . . .
in education . . .
EDDY quality papers
are taken for granted as an important, if inconspicuous, factor in the operation of our national economy. The diversity of our papers, their consistent quality, and the reputation of the firm that stands behind every sheet of paper from the Eddy mills, all have contributed to the preference shown by business and the housewife for papers bearing the imprint of The E. B. Eddy Company, Hull, Canada
mainstay of the retail trade . . .
facilitates world trade . . .
reflection of world events . . .
preserver of great thoughts . . .
a voice of democracy . . .
The E. B. Eddy Company
Hull, Canada
Makers of quality papers

THE WORLD TODAY

Pearson, Acheson Show New Grasp Of Soviet Aims And Tactics

By WILLSON WOODSIDE

TWO of the most encouraging developments, as we enter a new phase of the cold war with the shield of the Atlantic Pact and the weapon of Truman's "bold new program" for aiding backward peoples, are the rapidly spreading understanding of Soviet aims and tactics, and the revulsion among working people the world over to Communist infiltration and control, a revulsion which has now carried the British and American labor out of the Communist-led World Federation of Trade Unions.

We seem to have passed through a period, in the last three years, similar to the period 1937-40 when we learned about Nazi aims and tactics.

Stalin's new "peace offensive" was met, this time, by an immediate reaction from the highest authorities in London, Paris, Washington and Ottawa, calling for action instead of words, pointing out the opportunities the Soviet had in the U.N. and various other bodies to make good on their peace talk, but also recalling that in the gospel laid down by Stalin "any lies, deceit, detour or subterfuge" is permissible in order to triumph in the "inevitable bloody clash between capitalism and socialism," and analyzing the particular motives of this new tactic, such as forestalling the North Atlantic Pact.

Mr. Pearson, in a brilliant maiden speech in the House of Commons, did this with his customary neat turn of phrase. If the tension in the world had eased lately, it was not because of words that have come out of Moscow, or because of any fundamental change in Communist doctrine. It was because we had steadily resisted Communist aggression, made progress toward an Atlantic security league, and helped to restore the military and economic strength of Western Europe.

"We should welcome any such change in Communist tactics, but we should not allow it to divert us from the course which may well have brought about the change . . . We must continue the policy of deepening and broadening the basis of economic and social cooperation between free democratic states; of pressing forward toward economic and social justice within our own states." And these constructive policies must be carried on under the protection of the "group insurance policy" of the Atlantic Pact.

Mr. Acheson, in Washington, had a different task because the peace approach ostensibly was made to his government. His reply was the most effective riposte which American diplomacy has made to a Soviet manoeuvre since the war. If it is a fair sample of the quality of his mind, he is going to prove an able and supple diplomat.

With gentle irony he touched on the key point in his opening remarks to the press conference. He was going to take up the Stalin-Smith correspondence — this Mr. Smith being the I.N.S. correspondent and not Walter Bedell Smith, the American ambassador to the Soviet Union. Point by point he went through it; and it was clear that he and his lieutenants had considered each word and nuance exhaustively.

First point: Stalin had said that he was prepared to consider issuing a joint declaration with the United States that the two governments had no intention of going to war against each other. Acheson found this puzzling, since the two governments were already pledged, as members of the United Nations not to go to war with each other, or with any other member.

Second point: Stalin had said that "naturally" he would cooperate with the United States in measures leading to gradual disarmament. Acheson replied that the course which the Soviet Union had followed during the past three years, in using the veto, obstructing the efforts to set up a U.N. military force, and refusing to accept a system of international inspection in order to control the atomic bomb, did not encourage hope of the cooperation promised by Stalin. For her part, the United States had carried out, not a gradual but a precipitate demobilization of the greatest assemblage of armed force which had ever been put together.

STALIN ON DIPLOMACY

"A diplomat's words must have no relation to his actions—otherwise what kind of diplomacy is it?

"Words are one thing, actions another. Good words are the mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water or wooden iron."

(J. Stalin, Collected Works)

Acheson Bars a "Deal"

Acheson then passed on to the fourth point, in which Stalin had said that he had "no objection" to meeting with President Truman. Here the Secretary stated categorically that "the United States would not discuss (alone) with any nation any matter which was of direct interest to other nations."

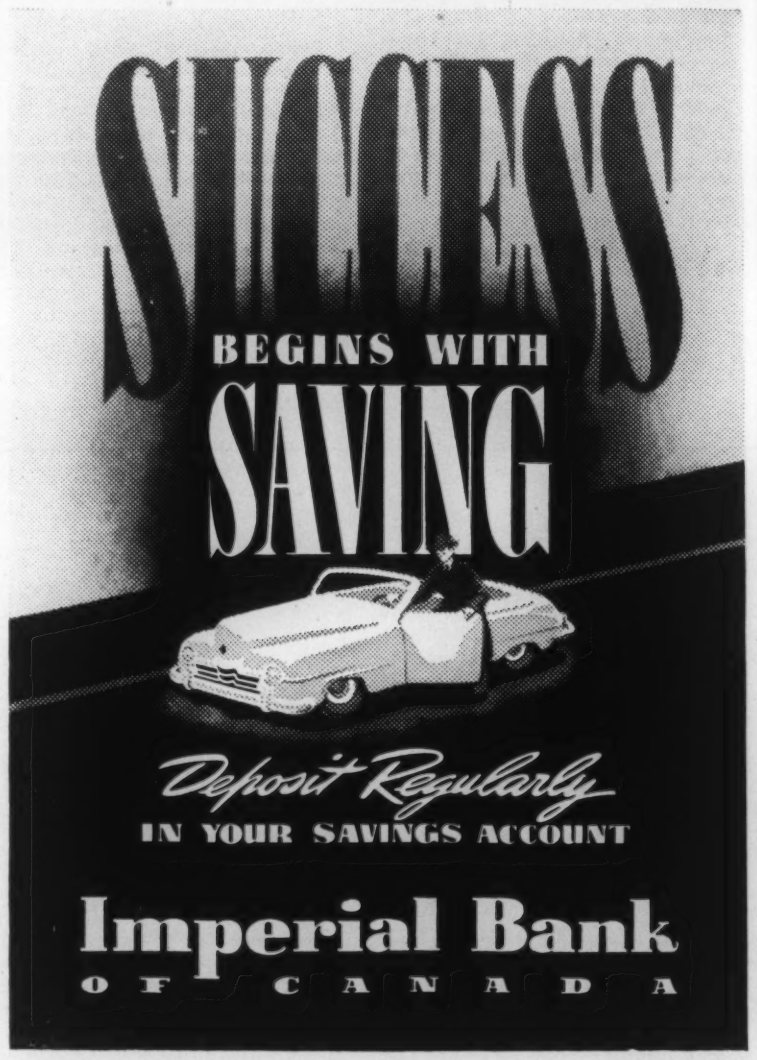
Then he recalled that President Truman had several times invited Stalin to visit him in Washington, though it now appeared—from a further telegram from Stalin to the correspondent Kingsbury Smith — that the Soviet leader expected the President of the United States to go half-way round the world to meet him, for a fourth time, to pledge a peace to which they were already solemnly committed.

Returning to the third point, in which Stalin had said that he would lift the blockade of Berlin if the Western powers postponed the establishment of a separate West German state, Acheson remarked that this was "most interesting." Discussions for the lifting of the Berlin blockade had been carried on for six months, in Moscow, Berlin and Paris. During all this time the reasons the Soviets gave for the blockade were first, technical difficulties on the railroads and highways; and second, protection of the Soviet Zone against the reformed Western mark.

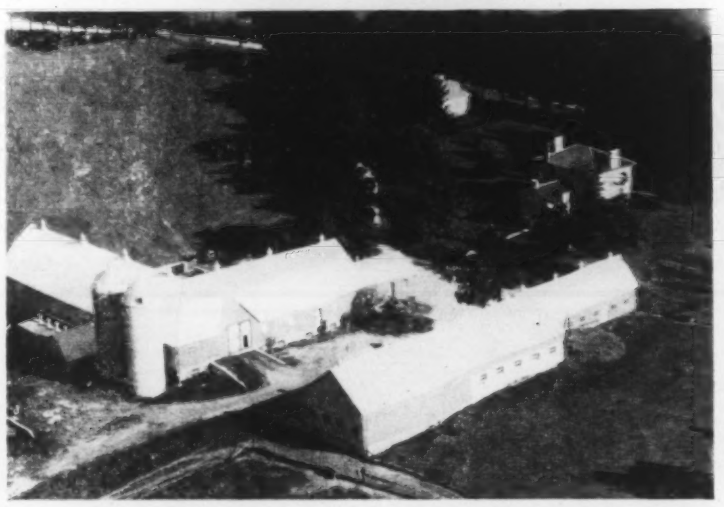
If they actually wanted to negotiate the Berlin question, all normal channels were open. Acheson, for his part, if he were seeking to give assurance of seriousness of purpose, would not choose the channel of a press interview. Nor would the United States

FREE OUR BIG 1949 SEED AND NURSERY BOOK

DOMINION SEED HOUSE
GEORGETOWN, ONT.



FOR SALE



The Internationally Known

ROSLYN PARK FARM

LOCATION - - ½ mile from Galt, Ontario.

LAND - - - - 300 Acres of gravel loam in excellent state of cultivation—well fenced—natural drainage.

WATER - - - Abundant supply under pressure.

BUILDINGS - - One 8-room stone dwelling—hardwood floors—hot air heat—natural fireplace—complete plumbing.
One 8-room cement block dwelling — hardwood floors—hot air heat—complete plumbing.
One 4-room frame bungalow—hardwood floors—hot air heat—complete plumbing.
One summer frame cabin—stone fireplace.
One new (1948-9) steel bank barn—twin silos—completely equipped in all respects for 75 head of cattle—most modern and up-to-date dairy barn, including feed rooms, milk room, etc.
One frame bank barn in excellent condition equipped to accommodate approximately 40 head of cattle.
One steel and concrete maternity barn—hot water heated drive shed and farm office.
One steel implement shed.

VEHICLES - - 1948 ¾-ton Chevrolet pick-up truck.
1946 Ford stake truck.
1944 McCormick-Deering tractor.

IMPLEMENTS - All necessary implements, tools, etc. in good condition.

PRIZE JERSEY HERD 100 Head—In 1948 prize winners in 8 shows—24 champions—55 First Prizes—herd average 85.59 —tested animals average 527 fat — mature equivalent — a constructive breeder No. 7.

This excellent farm including land, buildings, equipment and entire herd of prize jersey cattle is offered for sale as a going concern. Farm is well staffed with herdsman, farm manager and capable help.

Apply The Waterloo Trust And Savings Company

Executor Estate of George Hancock

KITCHENER — GALT

ONTARIO

Equitable Life Issues Strong 1948 Statement

Balance Sheet, December 31, 1948

ASSETS

Real Estate:		
Office Premises	$65,000.00	
Other (Held for Sale)	31,062.20	
		$ 96,006.20
Mortgages on Real Estate		13,804,060.08
Agreements for Sale		327,422.81
Loans on Policies		845,106.93
Bonds and Debentures (Book Value)		4,269,350.25
Stocks (Book Value)		50,048.81
Cash on Hand and in Banks		66,184.69
Interest Accrued		68,150.18
Premiums Due and Deferred (Net)		287,187.43
TOTAL ASSETS		$19,813,517.38

LIABILITIES

Policy and Annuity Reserves	$16,130,688.00
Provision for Unpaid and Unreported Claims	229,672.00
Amounts Left with Company at Interest	845,498.00
Premiums Paid in Advance	13,138.95
Interest Paid in Advance	500.44
Taxes, Expenses and Accounts Due and Accrued	48,318.81
Other Liabilities	75,455.28
Staff Pension Fund	169,549.00
Dividends Allotted to Policyholders	70,000.00
Investment and Contingency Reserves	750,000.00
CAPITAL PAID IN	327,155.00
SURPLUS	1,153,541.90
TOTAL LIABILITIES	$19,813,517.38

New Business gained 26% to $10,228,385 . . . Insurance in Force $66,823,745 . . . Assets higher by $1,138,997 . . . Policy Reserves increased $926,620 . . . Payments to Policyholders and Beneficiaries amounted to $889,275.

PROTECTION

THE EQUITABLE LIFE
INSURANCE COMPANY OF CANADA
HEAD OFFICE — WATERLOO, ONTARIO

use the question of peace, of fundamental interest to hundreds of millions of people, as an instrument in an international manoeuvre.

That, I would say, is just the kind of serious and competent reply which the Communist manoeuvre called for. Acheson was too polite to say that when Stalin really wanted to negotiate with Germany, and meet with Ribbentrop and Hitler, in 1939-40, he didn't broadcast it over Moscow radio. But he made it clear that the United States wanted no deal of that kind—for which it has been reported the Soviet did attempt to approach an American representative in Berlin just a year ago.

•

DIZZY FROM MISTAKES

But Tim Gets Fresh Guidance From Joe

It is only a few days since Stewart Smith protested in hurt tones over radio facilities provided for him by some of the most rugged free enterprisers in Canada that it was unthinkable that the Canadian Communists should take their policy line from Moscow. His comrade Tim Buck seems, in the meantime, to have found a clear connection on the party line to Sofia, Bulgaria.

In that Balkan capital, which might seem utterly remote from Canadian politics, the former Secretary-General of the Comintern and present Bulgarian dictator Dimitrov, gave an eight-hour oration on Communist doctrine just before Christmas. He had just returned from a two-months' sojourn in Moscow, where it is believed that he was rebuked for his display of nationalism before being schooled intensively in the new line. It was only necessary for him to remark that he had received Stalin's "personal advice and guidance" and to add that this formulation was being presented "in complete and final terms . . . to help all people's democracies solve their theoretical problems," to gain the close attention of Communist leaders everywhere in the world. So it is that in far-off Toronto Tim Buck and Co. obediently form fours and about turn.

First, as the *Economist* summarizes his marathon oration, Dimitrov repudiated the whole pre-Stalinist period in the development of Communist tactics outside the Soviet Union as "not truly Bolshevik." In their attempts at "direct action," "capturing the streets" and "bombastic appeals for revolutionary action" the Communists of those days forgot the important Leninist teaching about "the necessity for revolutionary compromises."

Dimitrov Gives New Gospel

True Bolshevist tactics were only applied after 1933, in the period of the "united front" coalitions. Dimitroy reminded his comrades that this policy proved very useful during the war and called on them to resume it. The theory was that of "the two tactics," formulated by Lenin and applied by Stalin (actually, it was a Menshevik theory). The working-class can and should first help the bourgeois-democratic revolution. Only after its successful completion, and after the working-class has attained a dominant position should the Communists turn their guns on the allies of yesterday.

In his exposition Dimitrov went even further than did Stalin in his letters to Tito nine months ago, in asserting the absolute authority of the Soviet Communist Party over all Communist parties in the world.

"All Communists should realize the importance of the full coordination of the activities of all Communist parties in the world under the leadership of the Soviet Communist Party. All Communist parties have one common policy and acknowledge the great Soviet Communist Party as the leading and guiding party of the international labor movement. All Communist parties in the world form one single Communist front . . . and have one leader and teacher—Comrade Stalin."

Tim Applies It in Canada

Circumstances in Canada require an anxious interpretation of this new gospel to fit local conditions. As Tim Buck admits, the effort to form a united front with the C.C.F. has proven to be an "opportunistic mistake," as did the similar effort to form a "Liberal-Labor front" in the 1945 election. There is not a single possibility of forming a "united front" with any organized party in Canada except, as he intimated, with the Quebec nationalists in opposition to the North Atlantic Pact.

The new line, therefore, is to "broaden the appeal of the party" and "admit anyone who applies." "Thirty years of experience," says Tim Buck, have proven that this is necessary for success. "Broadening the appeal" may seem a broad phrase to us, but to Canadian Communists it is quite clearly an exhortation to work more intensively than ever in "front" organizations of all kinds, making a noise as "champions of the people" in housing committees and consumer leagues, and, above all, in the new "peace councils," whose first objective, the prevention of Canada's entry into the Atlantic Pact, happens to be a prime motive of current Soviet policy.

WASHINGTON LETTER

(*Continued from page 8*)

Americans that their 59-cent dollar is now 15 years old.

Roosevelt's actions in forbidding export of gold, in buying gold abroad, in getting Congress to cut the gold content of the dollars to 59.09 cents, are all a matter of history. Americans don't want it to be any cheaper.

•

STRATEGY ON FILIBUSTER

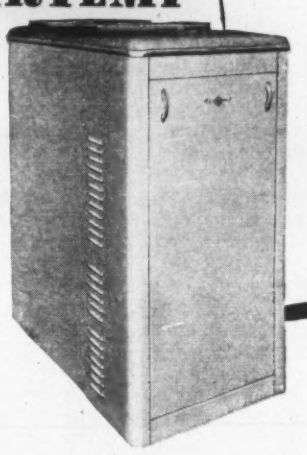
Young Turks and Old Guard May Plan Program Block

THE Republican move to force quick action on the filibuster-killing change in Senate rules has intensified inter-party feeling even beyond the vituperative state attained during the hearings on the one-package labor bill. The filibuster issue has caused the Democratic leadership to swear that they "will not let the Republicans run the Senate."

There are signs of real trouble for the Administration. Senator Huey Long's son, Russell, has begun his first term in the Senate and he and other Southerners have hinted they may try to tie up Congress with filibusters if the President's civil rights program is presented. Republicans are finding their strength in Congress and if Old Guard and Young Turks alike can be kept together they believe that they will have grand strategy for the session that will block any effective implementation of the Truman legislative objectives.

It was that accidental vote in the Senate on January 18, when 41 Republicans, voting with six Democrats, obtained a 47 to 45 majority of the Senate and defeated the unimportant matter of tax exemption for inaugural tickets. It brought home to G.O.P. leaders that they can turn the trick again and again if they can agree on united action against controversial Administration legislation.

CHRYSLER AIRTEMP



OIL-FIRED WINTER AIR CONDITIONERS —"Comforteered" for carefree Home Heating!

With Chrysler Airtemp you'll enjoy:

- Healthful Humidity
- Money-saving operating efficiency
- Automatic Temperature Control
- Cleaned, Filtered Air
- Quiet Operation
- Valuable space, free for other uses
- Added attractiveness in your home

Call your Chrysler Airtemp Dealer today . . . have him give you the full story of this low-cost "Comforteering".

Automatically Yours

CHRYSLER AIRTEMP HEATING AIR CONDITIONING COMMERCIAL REFRIGERATION

IN CANADA
THERM-O-RITE PRODUCTS LIMITED
Montreal Trust Bldg. Toronto, Ontario

Owner of business with headquarters in Peterborough, doing own Travelling and selling Oshawa to Brockville and surrounding territory, desires additional fast selling reputable—well-known lines on commission basis.

Write Box No. 117, Saturday Night

BRITISH COMMONWEALTH PACIFIC AIRLINES, LIMITED

Fly the "Southern Cross Route" to AUSTRALIA & NEW ZEALAND

(FROM VANCOUVER, B.C.)

Through smooth tropical skies, it's only 33½ flying hours to Sydney on the giant 4-engined Douglas DC 6 luxuriously equipped with sleeping berths for overseas travel. Stopovers allowed at San Francisco, Honolulu and Fiji.

General Agents:
Trans-Canada Air Lines
or see your local Travel Agent.

fly C.P.

Can you afford to be without this book?

SMITH'S
HOW TO PREPARE YOUR
INCOME TAX
1949 EDITION

"Accepted by authorities as one of the most complete and accurate books on the subject."
—*Financial Post*

$1.00. On sale everywhere

COLLINS

THE NORTHERN LIFE ASSURANCE COMPANY
OF CANADA
LONDON — ONTARIO

February 14, 1949

To the 45,000 Policyholders of
The Northern Life Assurance Company of Canada:

Your Company experienced a very satisfactory year in 1948.

In common with all other businesses, we had to cope with the increased expense of operation, but we had very good mortality experience and an increasingly favourable investment experience. The net result was a modest operating profit which enabled us to strengthen our reserves for the protection of our policyholders and increase our free surplus, proportionate to the increase of our business in force.

We were able to continue our scale of policyholders' dividends without change. There is, therefore, at least one thing that costs no more in 1948 than in 1945; namely, life insurance in your Company.

The new life insurance business produced by your Company in 1948 amounted to $15,834,468. The business in force increased by $9,187,467 and the total business in force at December 31, 1948 was $110,221,404.

The assets of your Company are now over twenty million dollars. These assets are well invested and guarantee the safe carrying out of the contracts which we have entered into with you. Since the war, we have been investing heavily in first mortgages on real estate, thus enabling the Company to obtain a more satisfactory rate of interest on its funds and at the same time to assist in the country's major problem, the housing shortage

The efforts of the sales department have been confined to reorganization and better equipment of our present sales force in order to render you, our policyholders, the maximum of efficient service.

An Annual Statement will be mailed on request

Yours very truly,

G. W. Geddes
General Manager

Northern Life
Assurance Company of Canada
Established 1897
R. G. IVEY, K.C., President
Home Office: London, Canada
G. W. GEDDES, General Manager

THE WORLD TODAY

Pearson, Acheson Show New Grasp Of Soviet Aims And Tactics

By WILLSON WOODSIDE

TWO of the most encouraging developments, as we enter a new phase of the cold war with the shield of the Atlantic Pact and the weapon of Truman's "bold new program" for aiding backward peoples, are the rapidly spreading understanding of Soviet aims and tactics, and the revulsion among working people the world over to Communist infiltration and control, a revulsion which has now carried the British and American labor out of the Communist-led World Federation of Trade Unions.

We seem to have passed through a period, in the last three years, similar to the period 1937-40 when we learned about Nazi aims and tactics.

Stalin's new "peace offensive" was met, this time, by an immediate reaction from the highest authorities in London, Paris, Washington and Ottawa, calling for action instead of words, pointing out the opportunities the Soviet had in the U.N. and various other bodies to make good on their peace talk, but also recalling that in the gospel laid down by Stalin "any lies, deceit, detour or subterfuge" is permissible in order to triumph in the "inevitable bloody clash between capitalism and socialism." and analyzing the particular motives of this new tactic, such as forestalling the North Atlantic Pact.

Mr. Pearson, in a brilliant maiden speech in the House of Commons, did this with his customary neat turn of phrase. If the tension in the world had eased lately, it was not because of words that have come out of Moscow, or because of any fundamental change in Communist doctrine. It was because we had steadily resisted Communist aggression, made progress toward an Atlantic security league, and helped to restore the military and economic strength of Western Europe.

"We should welcome any such change in Communist tactics, but we should not allow it to divert us from the course which may well have brought about the change . . . We must continue the policy of deepening and broadening the basis of economic and social cooperation between free democratic states; of pressing forward toward economic and social justice within our own states." And these constructive policies must be carried on under the protection of the "group insurance policy" of the Atlantic Pact.

Mr. Acheson, in Washington, had a different task because the peace approach ostensibly was made to his government. His reply was the most effective riposte which American diplomacy has made to a Soviet manoeuvre since the war. If it is a fair sample of the quality of his mind, he is going to prove an able and supple diplomat.

STALIN ON DIPLOMACY

"A diplomat's words must have no relation to his actions—otherwise what kind of diplomacy is it?

"Words are one thing, actions another. Good words are the mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water or wooden iron."

(J. Stalin, Collected Works)

With gentle irony he touched on the key point in his opening remarks to the press conference. He was going to take up the Stalin-Smith correspondence — this Mr. Smith being the I.N.S. correspondent and not Walter Bedell Smith, the American ambassador to the Soviet Union. Point by point he went through it; and it was clear that he and his lieutenants had considered each word and nuance exhaustively.

First point: Stalin had said that he was prepared to consider issuing a joint declaration with the United States that the two governments had no intention of going to war against each other. Acheson found this puzzling, since the two governments were already pledged, as members of the United Nations, not to go to war with each other, or with any other member.

Second point: Stalin had said that "naturally" he would cooperate with the United States in measures leading to gradual disarmament. Acheson replied that the course which the Soviet Union had followed during the past three years, in using the veto, obstructing the efforts to set up a U.N. military force, and refusing to accept a system of international inspection in order to control the atomic bomb, did not encourage hope of the cooperation promised by Stalin. For her part, the United States had carried out, not a gradual but a precipitate demobilization of the greatest assemblage of armed force which had ever been put together.

Acheson Bars a "Deal"

Acheson then passed on to the fourth point, in which Stalin had said that he had "no objection" to meeting with President Truman. Here the Secretary stated categorically that "the United States would not discuss (alone) with any nation any matter which was of direct interest to other nations."

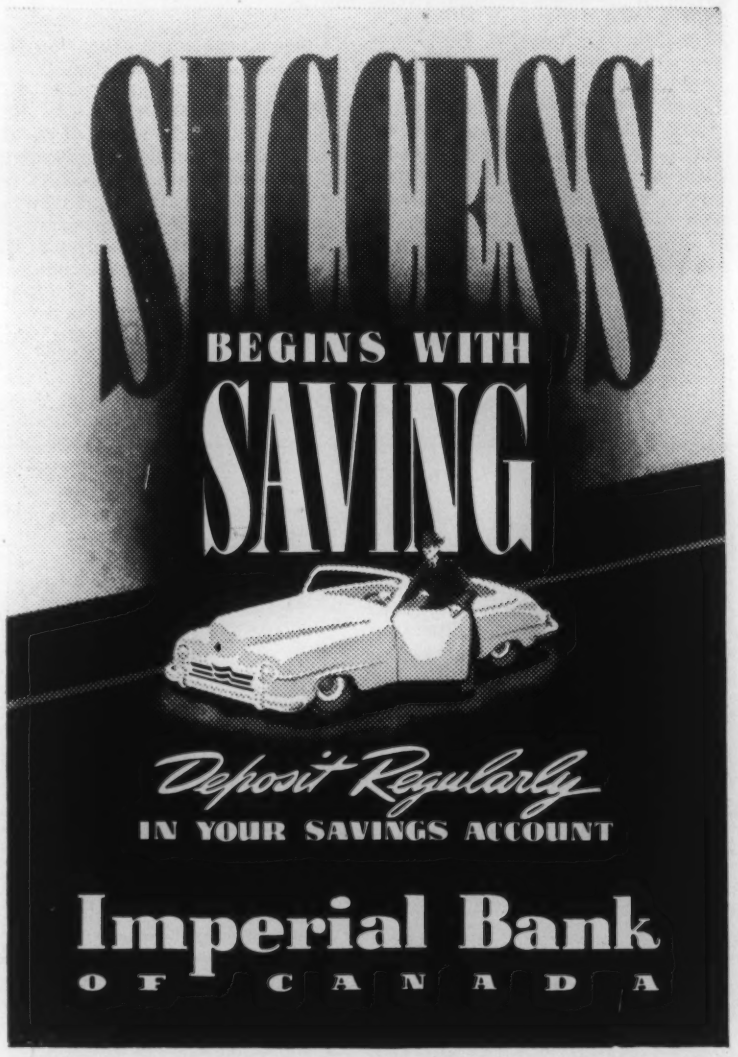
Then he recalled that President Truman had several times invited Stalin to visit him in Washington, though it now appeared—from a further telegram from Stalin to the correspondent Kingsbury Smith — that the Soviet leader expected the President of the United States to go half-way round the world to meet him, for a fourth time, to pledge a peace to which they were already solemnly committed.

Returning to the third point, in which Stalin had said that he would lift the blockade of Berlin if the Western powers postponed the establishment of a separate West German state, Acheson remarked that this was "most interesting." Discussions for the lifting of the Berlin blockade had been carried on for six months, in Moscow, Berlin and Paris. During all this time the reasons the Soviets gave for the blockade were first, technical difficulties on the railroads and highways; and second, protection of the Soviet Zone against the reformed Western mark.

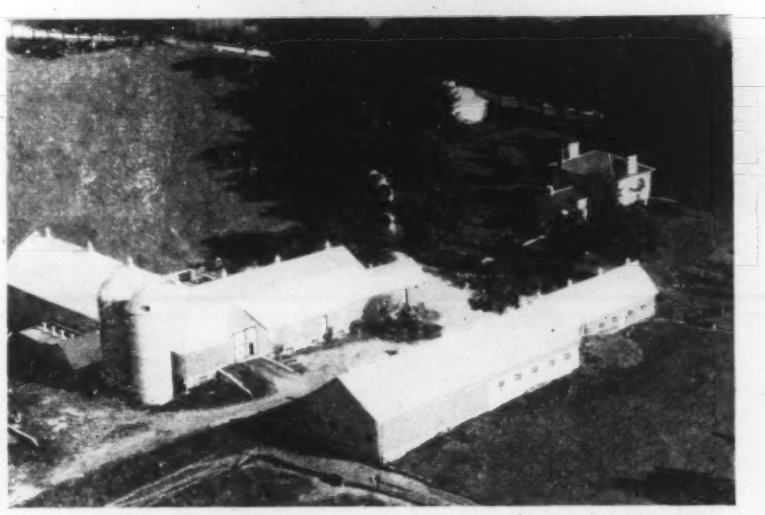
If they actually wanted to negotiate the Berlin question, all normal channels were open. Acheson, for his part, if he were seeking to give assurance of seriousness of purpose, would not choose the channel of a press interview. Nor would the United States

FREE OUR BIG 1949 SEED AND NURSERY BOOK

DOMINION SEED HOUSE
GEORGETOWN, ONT.



FOR SALE



The Internationally Known

ROSLYN PARK FARM

LOCATION - - ½ mile from Galt, Ontario.

LAND - - - - 300 Acres of gravel loam in excellent state of cultivation—well fenced—natural drainage.

WATER - - - Abundant supply under pressure.

BUILDINGS - - One 8-room stone dwelling—hardwood floors—hot air heat—natural fireplace—complete plumbing.
One 8-room cement block dwelling — hardwood floors—hot air heat—complete plumbing.
One 4-room frame bungalow—hardwood floors—hot air heat—complete plumbing.
One summer frame cabin—stone fireplace.
One new (1948-9) steel bank barn—twin silos—completely equipped in all respects for 75 head of cattle—most modern and up-to-date dairy barn, including feed rooms, milk room, etc.
One frame bank barn in excellent condition equipped to accommodate approximately 40 head of cattle.
One steel and concrete maternity barn—hot water heated drive shed and farm office.
One steel implement shed.

VEHICLES - - 1948 ¾-ton Chevrolet pick-up truck.
1946 Ford stake truck.
1944 McCormick-Deering tractor.

IMPLEMENTS - All necessary implements, tools, etc. in good condition.

PRIZE JERSEY HERD 100 Head—In 1948 prize winners in 8 shows—24 champions—55 First Prizes—herd average 85.59 —tested animals average 527 fat — mature equivalent — a constructive breeder No. 7.

This excellent farm including land, buildings, equipment and entire herd of prize jersey cattle is offered for sale as a going concern. Farm is well staffed with herdsman, farm manager and capable help.

Apply The Waterloo Trust And Savings Company

Executor Estate of George Hancock

KITCHENER — GALT

ONTARIO

Equitable Life Issues Strong 1948 Statement

Balance Sheet, December 31, 1948

ASSETS

Real Estate:		
Office Premises	$65,000.00	
Other (Held for Sale)	31,062.20	
		$ 96,006.20
Mortgages on Real Estate		13,804,060.08
Agreements for Sale		327,422.81
Loans on Policies		845,106.93
Bonds and Debentures (Book Value)		4,269,350.25
Stocks (Book Value)		50,048.81
Cash on Hand and in Banks		66,184.69
Interest Accrued		68,150.18
Premiums Due and Deferred (Net)		287,187.43
TOTAL ASSETS		$19,813,517.38

LIABILITIES

Policy and Annuity Reserves	$16,130,688.00
Provision for Unpaid and Unreported Claims	229,672.00
Amounts Left with Company at Interest	845,498.00
Premiums Paid in Advance	13,138.95
Interest Paid in Advance	500.44
Taxes, Expenses and Accounts Due and Accrued	48,318.81
Other Liabilities	75,455.28
Staff Pension Fund	169,549.00
Dividends Allotted to Policyholders	70,000.00
Investment and Contingency Reserves	750,000.00
CAPITAL PAID IN	327,155.00
SURPLUS	1,153,541.90
TOTAL LIABILITIES	$19,813,517.38

New Business gained 26% to $10,228,385 . . . Insurance in Force $66,823,745 . . . Assets higher by $1,138,997 . . . Policy Reserves increased $926,620 . . . Payments to Policyholders and Beneficiaries amounted to $889,275.

PROTECTION
THE EQUITABLE LIFE
INSURANCE COMPANY OF CANADA
HEAD OFFICE — WATERLOO, ONTARIO

use the question of peace, of fundamental interest to hundreds of millions of people, as an instrument in an international manoeuvre.

That, I would say, is just the kind of serious and competent reply which the Communist manoeuvre called for. Acheson was too polite to say that when Stalin really wanted to negotiate with Germany, and meet with Ribbentrop and Hitler, in 1939-40, he didn't broadcast it over Moscow radio. But he made it clear that the United States wanted no deal of that kind—for which it has been reported the Soviets did attempt to approach an American representative in Berlin just a year ago.

•

DIZZY FROM MISTAKES

But Tim Gets Fresh Guidance From Joe

It is only a few days since Stewart Smith protested in hurt tones over radio facilities provided for him by some of the most rugged free enterprisers in Canada that it was unthinkable that the Canadian Communists should take their policy line from Moscow. His comrade Tim Buck seems, in the meantime, to have found a clear connection on the party line to Sofia, Bulgaria.

In that Balkan capital, which might seem utterly remote from Canadian politics, the former Secretary-General of the Comintern and present Bulgarian dictator Dimitrov, gave an eight-hour oration on Communist doctrine just before Christmas. He had just returned from a two-months' sojourn in Moscow, where it is believed that he was rebuked for his display of nationalism before being schooled intensively in the new line. It was only necessary for him to remark that he had received Stalin's "personal advice and guidance" and to add that this formulation was being presented "in complete and final terms . . . to help all people's democracies solve their theoretical problems," to gain the close attention of Communist leaders everywhere in the world. So it is that in far-off Toronto Tim Buck and Co. obediently form fours and about turn.

First, as the *Economist* summarizes his marathon oration, Dimitrov repudiated the whole pre-Stalinist period in the development of Communist tactics outside the Soviet Union as "not truly Bolshevik." In their attempts at "direct action," "capturing the streets" and "bombastic appeals for revolutionary action" the Communists of those days forgot the important Leninist teaching about "the necessity for revolutionary compromises."

Dimitrov Gives New Gospel

• True Bolshevist tactics were only applied after 1933, in the period of the "united front" coalitions. Dimitrov reminded his comrades that this policy proved very useful during the war and called on them to resume it. The theory was that of "the two tactics," formulated by Lenin and applied by Stalin (actually, it was a Menshevik theory). The working-class can and should first help the bourgeois-democratic revolution. Only after its successful completion, and after the working-class has attained a dominant position should the Communists turn their guns on the allies of yesterday.

In his exposition Dimitrov went even further than did Stalin in his letters to Tito nine months ago, in asserting the absolute authority of the Soviet Communist Party over all Communist parties in the world.

"All Communists should realize the importance of the full coordination of the activities of all Communist parties in the world under the leadership of the Soviet Communist Party. All Communist parties have one common policy and acknowledge the great Soviet Communist Party as the leading and guiding party of the international labor movement. All Communist parties in the world form one single Communist front . . . and have one leader and teacher—Comrade Stalin."

Tim Applies It in Canada

Circumstances in Canada require an anxious interpretation of this new gospel to fit local conditions. As Tim Buck admits, the effort to form a united front with the C.C.F. has proven to be an "opportunistic mistake," as did the similar effort to form a "Liberal-Labor front" in the 1945 election. There is not a single possibility of forming a "united front" with any organized party in Canada except, as he intimated, with the Quebec nationalists in opposition to the North Atlantic Pact.

The new line, therefore, is to "broaden the appeal of the party" and "admit anyone who applies." "Thirty years of experience," says Tim Buck, have proven that this is necessary for success. "Broadening the appeal" may seem a broad phrase to us, but to Canadian Communists it is quite clearly an exhortation to work more intensively than ever in "front" organizations of all kinds, making a noise as "champions of the people" in housing committees and consumer leagues, and, above all, in the new "peace councils," whose first objective, the prevention of Canada's entry into the Atlantic Pact, happens to be a prime motive of current Soviet policy.

WASHINGTON LETTER

(*Continued from page 8*)

Americans that their 59-cent dollar is now 15 years old.

Roosevelt's actions in forbidding export of gold, in buying gold abroad, in getting Congress to cut the gold content of the dollars to 59.09 cents, are all a matter of history. Americans don't want it to be any cheaper.

•

STRATEGY ON FILIBUSTER

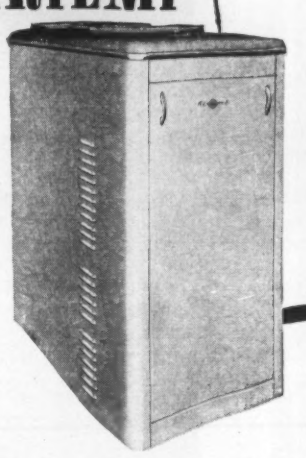
Young Turks and Old Guard May Plan Program Block

THE Republican move to force quick action on the filibuster-killing change in Senate rules has intensified inter-party feeling even beyond the vituperative state attained during the hearings on the one-package labor bill. The filibuster issue has caused the Democratic leadership to swear that they "will not let the Republicans run the Senate."

There are signs of real trouble for the Administration. Senator Huey Long's son, Russell, has begun his first term in the Senate and he and other Southerners have hinted they may try to tie up Congress with filibusters if the President's civil rights program is presented. Republicans are finding their strength in Congress and if Old Guard and Young Turks alike can be kept together they believe that they will have grand strategy for the session that will block any effective implementation of the Truman legislative objectives.

It was that accidental vote in the Senate on January 18, when 41 Republicans, voting with six Democrats, obtained a 47 to 45 majority of the Senate and defeated the unimportant matter of tax exemption for inaugural tickets. It brought home to G.O.P. leaders that they can turn the trick again and again if they can agree on united action against controversial Administration legislation.

CHRYSLER AIRTEMP



OIL-FIRED WINTER AIR CONDITIONERS —"Comforteered" for carefree Home Heating!

With Chrysler Airtemp you'll enjoy:

- Healthful Humidity
- Money-saving operating efficiency
- Automatic Temperature Control
- Cleaned, Filtered Air
- Quiet Operation
- Valuable space, free for other uses
- Added attractiveness in your home

Call your Chrysler Airtemp Dealer today . . . have him give you the full story of this low-cost "Comforteering".

Automatically Yours

CHRYSLER AIRTEMP HEATING AIR CONDITIONING COMMERCIAL REFRIGERATION

IN CANADA
THERM-O-RITE PRODUCTS LIMITED
Montreal Trust Bldg. Toronto, Ontario

Owner of business with headquarters in Peterborough, doing own Travelling and selling Oshawa to Brockville and surrounding territory, desires additional fast selling reputable — well-known lines on commission basis.

Write Box No. 117, Saturday Night

BRITISH COMMONWEALTH PACIFIC AIRLINES, LIMITED

"Fly the Southern Cross Route" to AUSTRALIA & NEW ZEALAND

(FROM VANCOUVER, B.C.)

Through smooth tropical skies, it's only 33½ flying hours to Sydney on the giant 4-engined Douglas DC 6 luxuriously equipped with sleeping berths for overseas travel. Stopovers allowed at San Francisco, Honolulu and Fiji.

General Agents:
Trans-Canada Air Lines
or see your local Travel Agent.

fly B.C.P.

Can you afford to be without this book?

SMITH'S
HOW TO PREPARE YOUR
INCOME TAX
1949 EDITION

"Accepted by authorities as one of the most complete and accurate books on the subject."
—*Financial Post*

$1.00. *On sale everywhere*

COLLINS

THE NORTHERN LIFE ASSURANCE COMPANY
OF CANADA
LONDON — ONTARIO

February 14, 1949

To the 45,000 Policyholders of
The Northern Life Assurance Company of Canada:

Your Company experienced a very satisfactory year in 1948.

In common with all other businesses, we had to cope with the increased expense of operation, but we had very good mortality experience and an increasingly favourable investment experience. The net result was a modest operating profit which enabled us to strengthen our reserves for the protection of our policyholders and increase our free surplus, proportionate to the increase of our business in force.

We were able to continue our scale of policyholders' dividends without change. There is, therefore, at least one thing that costs no more in 1948 than in 1945; namely, life insurance in your Company.

The new life insurance business produced by your Company in 1948 amounted to $15,834,468. The business in force increased by $9,187,467 and the total business in force at December 31, 1948 was $110,221,404.

The assets of your Company are now over twenty million dollars. These assets are well invested and guarantee the safe carrying out of the contracts which we have entered into with you. Since the war, we have been investing heavily in first mortgages on real estate, thus enabling the Company to obtain a more satisfactory rate of interest on its funds and at the same time to assist in the country's major problem, the housing shortage

The efforts of the sales department have been confined to reorganization and better equipment of our present sales force in order to render you, our policyholders, the maximum of efficient service.

An Annual Statement will be mailed on request

Yours very truly,

G. W. Geddes
General Manager

Northern Life
Assurance Company of Canada
Established 1897
R. G. IVEY, K.C., President
Home Office: London, Canada
G. W. GEDDES, General Manager

THE BOOKSHELF
CONDUCTED BY HERBERT McMANUS

Edith's Disorderly Wantonness Makes For Charming Reading

By WYNNE PLUMPTRE

A NOTEBOOK ON WILLIAM SHAKESPEARE — by Edith Sitwell — *Macmillan—$4.25.*

ONE would think that the only justification for such a bookful of disconnected notes must be that, by whetting the appetite and sharpening the palate, it will bring the reader greater relish when he turns back to read the plays themselves; yet Miss Sitwell's book, while it will certainly serve as a relish, is really a dish in itself. The shortness of most of the notes makes them easy to read. And there is a disorderly wantonness about the book that is quite charming. A "chapter" of six lines (all of them quoted from Coleridge) on the Historical Tragedies is pure provocation.

Most of the chapters are just jottings. Only three of them are continuous essays. These three are all on tragedies—Macbeth, Hamlet and Othello. The last is the best; the contrast between Othello and Iago, between white and black, is finely designed and elegantly decorated.

Miss Sitwell believes in Verbal Inspiration. Not a word, not a syllable, not a vowel nor a consonant, but serves its proper end in its appointed place. Witness this astonishing paragraph:

"In the lines which Cleopatra's speech begins:

'Give me my Robe, put on my Crowne; I have
'Immortall longings in me; Now no more'

—the first line has the same two long dissonantal *o*'s as in the first line of Lady Macbeth's

'And fill me from the Crowne to the Toe, top-full
'Of direst cruelty! Make thicke my blood:'

—but the place of the dissonances is reversed, and the effect is utterly different. This is due in part to the *t*'s of Lady Macbeth's lines, and to the *k* and *ck* of 'Make thicke'. Also, in the second line of Lady Macbeth's, the vowels are not deep, dark and rich as those in the second line of Cleopatra's . . . The long magnificence of the *o*'s (in Cleopatra's first line), the first being rich and deep, but not dark, the second effulgent with brightening jewels—these darken to the splendour of the *o*'s in the second line— that in 'immortall' being the deepest; that in 'longings', in spite of the *g* which gives it poignancy, is soft because of the *n*. The *o* of 'Now' echoes (though the length is less) the *o* of 'Crowne', 'more' echoes the 'or' of 'immortall', and indeed throughout the first lines there are echoes, some lengthening, some dying away, some more air-thin than the sound of which they are a memory, because of the difference between the consonants that embody the vowels. And these echoes give the verse the miraculous soft balance of the whole."

In this and other passages of the same sort one wonders whether Miss Sitwell might not give a little credit to the natural onomatopoeia of the English language. Shakespeare, like the least of us, could hardly avoid sounding somewhat joyful when he wrote of joy, or somewhat sad when he wrote of sadness, for that is the way these words sound to all of us.

But, for all that, Miss Sitwell's conceits (if we can so treat them) are well worth while. Whoever reads and ponders the paragraph quoted above will ever afterwards find a new richness in Cleopatra's preparation for death. And that, after all, was just what Miss Sitwell wanted.

EDITH SITWELL

Young Stevenson?

By ROBERT AYRE

NO SON OF MINE—by G. B. Stern—*Macmillan—$3.75.*

AFTER she had done a film scenario on the life of Robert Louis Stevenson, G. B. Stern wanted to go on talking about him. He was a fascinating subject and she had stored up a lot of stuff she felt she had to spill out. But it wasn't the sort of stuff that would fit into an orthodox biography. Moreover, such a work wasn't suited to her peculiar discursive style—playing ducks and drakes, she calls it, and there were already enough straightforward biographies of R.L.S.

By a happy circumstance she got wind of a tramp who used to go round claiming to be Stevenson's son. In "No Son of Mine" she tells his story, following his vagabond career from California to Scotland, to England, the South of France and back to Scotland, as he tracks down the father he never knew. Did Stevenson have a son? There is no evidence that he had. But this fellow, trading on an uncanny likeness, gradually came to believe that he was Stevenson's son. It made a man of him. And it makes a good story.

Apart from that, Miss Stern gets off her stuff about Stevenson and, except in one or two places—which she says we may skip—gets it off neatly as well as accurately. This is an unusual book; not fictionized biography, but informal, impressionistic biography wrapped up in an entertaining novel.

Uneven Picture

By YORK REED

IN SEARCH OF SOUTH AFRICA—by H. V. Morton—*Saunders—$3.75.*

THE AFRICA OF ALBERT SCHWEITZER—by Charles R. Joy and Melvin Arnold—*Musson —$3.75.*

THESE are both picture books. One is a word-picture in the familiar "in search of" pattern; the other is a series of photographs taken at Lambarene in the French Gabon where Dr. Schweitzer works and prays. The text consists largely of copious captions to the photographs.

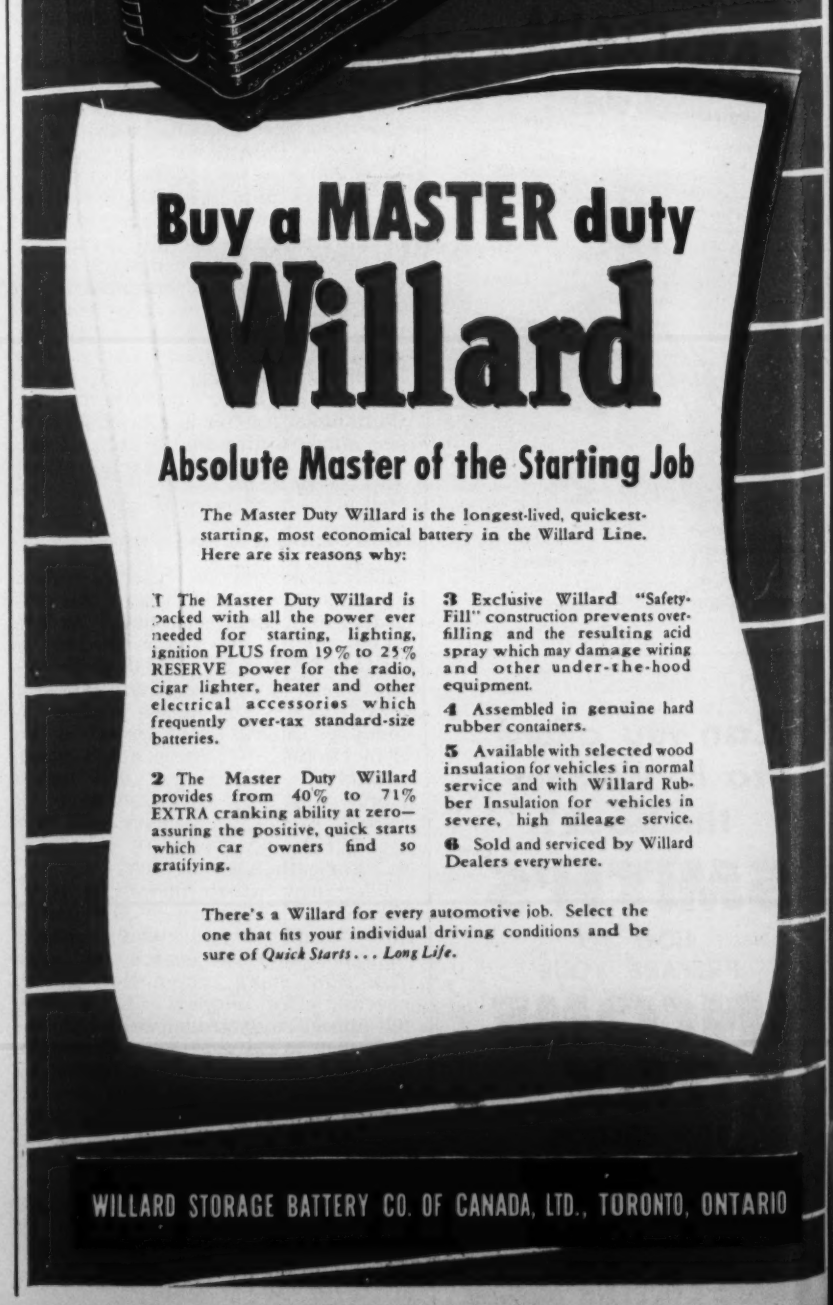
There is, however, a great difference in emphasis, not connected with the distance between Lambarene and Capetown. Mr. Morton's book is a scholarly, polished travelogue, replete with classical allusions and good will, that completely misses the point. The book on Schweitzer is a background piece for the many who are interested by this doctor-musician-philosopher-missionary who preaches a religion of love and neighborliness to Africans, and writes of it to the rest of the world.

For the first fifty pages Mr. Morton's book is enjoyable. There is a pleasantly smooth quality about his work without too much of the "now as we sail far beyond the blue horizon" business. However, very soon this organized sweetness and light that is the main material of the book begins to cloy. The reader suspects that South Africa is not just an orgy of blue mountains, keen-eyed young men, and happy pickaninnies. He begins to wonder why Mr. Morton tells us so little about the Africans who are in the majority and whole land he is writing about—the black Africans.

Mr. Morton does not emphasize what most recent writers on South Africa have taken care to point out—that the black Africans, who provide the broad base for the economy, are one of the poorest, in a material sense, and one of the most disorganized racial groups in all Africa. And a great deal of this can be ascribed to the conscious policies of the South Africans of European extraction.

The life of the African is not ignored in the book on Schweitzer. The authors show, by their photographs, something of the daily life of Albert Schweitzer and of the environment of an African missionary station. Some of the photos are excellent, others are cluttered and not suitable for reproduction, so that the book seems uneven in quality. It is, however, what Mr. Morton's book is not—a straightforward piece of reporting.

ORDER YOUR BOOKS FROM
BURNILL'S BOOKSHOP
100 Yonge Street, Toronto 1
MAIL ORDERS POSTPAID


FOR
QUICK STARTS
LONG LIFE
MASTER DUTY
Buy a MASTER duty
Willard
Absolute Master of the Starting Job
The Master Duty Willard is the longest-lived, quickest-starting, most economical battery in the Willard Line. Here are six reasons why:
1 The Master Duty Willard is packed with all the power ever needed for starting, lighting, ignition PLUS from 19% to 25% RESERVE power for the radio, cigar lighter, heater and other electrical accessories which frequently over-tax standard-size batteries.
2 The Master Duty Willard provides from 40% to 71% EXTRA cranking ability at zero—assuring the positive, quick starts which car owners find so gratifying.
3 Exclusive Willard "Safety-Fill" construction prevents over-filling and the resulting acid spray which may damage wiring and other under-the-hood equipment.
4 Assembled in genuine hard rubber containers.
5 Available with selected wood insulation for vehicles in normal service and with Willard Rubber Insulation for vehicles in severe, high mileage service.
6 Sold and serviced by Willard Dealers everywhere.
There's a Willard for every automotive job. Select the one that fits your individual driving conditions and be sure of Quick Starts . . . Long Life.
WILLARD STORAGE BATTERY CO. OF CANADA, LTD., TORONTO, ONTARIO

Beyond Compare
Where are there bright, sunny hours for loafing on sandy beaches . . . cycling down lanes bordered by oleander, hibiscus? Where do nights hold you spellbound? Where . . . but in Bermuda! Here living is serene, gracious amid pink and white cottages, spacious lawns, brilliant flowers, the bluest sea.
Afternoon Tea, Warwick Parish.
Bermuda
FOR NEW ILLUSTRATED LITERATURE write The Bermuda Trade Development Board, Room 400, 372 Bay Street, Toronto, Canada. Your Travel Agent will make complete arrangements for your Bermuda vacation—at no cost to you.
29R

THE BOOKSHELF

The Great Mischief Of The Rumor And Suggestions For A Cure

By JOHN YOCOM

THE AFFAIRS OF DAME RUMOR — by David J. Jacobson — *Clarke, Irwin* $5.00.

HAVE you heard the rumor that Franklin Delano Roosevelt is still alive and in a madhouse? If not, you probably will, for men since antiquity have never accepted mortal death for their great leaders (Nelson, Napoleon, Hitler, etc.). Bodily decay seems to have been limited to ordinary people. Unfortunately, all rumors are not such harmless, mythical wishful thinking about deceased heroes; some have been vicious devices for disturbing society all the way from strikes to wars.

In a long (492 pp.) book, badly overwritten in some chapters but immensely interesting nevertheless, a public relations expert shows that rumors are a barometer of human hopes, that people have a natural affinity for wandering through the sinister realms of propaganda and superstition. While not always distinguishing between falsehood, straight misinformation and rumor (the wide-spreading of the other two), David Jacobson produces ample evidence of the gullibility of human nature and the dangers we have been and shall be in for unless some positive antidotes are taken. He ranges through natural phenomena, historical events, minority groups, business ventures, political figures, gold-brick schemes, unions, war, deceased persons and makes the world record look like a History of Human Stupidity with rumor as the Toynbee-like common denominator. The same old bunkums crop up again and again.

Like legends and myths, rumors are waking dreams, but widespread and containing a greater pretence of reality. They provide the monger with the opportunity to denounce the things he dislikes, to moralize, or to enjoy a vicarious thrill through the implied deeds (*e.g.*, a Negro rapes a white woman). Most popular of all rumormongers is the exhibitionist who gets a great bang out of making others believe that he is in on the "know". Newspaper columnists and radio commentators particularly offend mass audiences while indulging in this notion.

A Short Story

To most people spreading rumors is a catharsis; there is almost nothing else that allows them to express their repressed hopes, fears and wishes so well. Pipe-dream rumors provide escapes, bogy rumors reflect the anxieties and fears of individuals and groups, but most enduring of all are those that express hate. They are standard propaganda weapons for war. Since most rumors express emotions and opinions, they serve as metaphors to illustrate a point rather than present a fact. A successful rumor must always be a good short story.

And so the Loch Ness monster theme surfaces annually in a new, neat, little narrative. So also do the age-old rumors about aphrodisiacs—oysters, etc; yet science long ago scotched the idea of any amatory stimulant. On the other hand, that absinthe is an anti-aphrodisiac has been discovered to be spite commercial propaganda against the manufacturers, battening on the idea of a French falling birth-rate. Religious prejudice is another lush field for propaganda exploitation. During World War II anti-Semitic rumor planting teams functioned in bars and hotel lobbies. If they disliked British foreign policy, Anthony Eden was a Jew. Everyone from General Mark Clark to J. P. Morgan who occupied a position of responsibility or prominence became in rumors a Jew.

Planted rumors are the most insidious and work with a scientific eye to intensity and spread of response.

But unlike most advertising, rumors are self-propelled. The rumor of the Belgian baby with hands cut off was first seen on August 27, 1914, then with faked photos a few months later, but it spread like wildfire for years and smouldered into World War II. In the U.S. there were successful campaigns to aid the mutilated babies, but when a Des Moines newspaper assigned a photographer and reporter to track one down in Europe they were unable.

Hate and fear lead in the list of stimuli: Hitler used hate rumors to bring himself to power; Orson Welles' radio report of the Mars attack on Earth frightened 2,000,000 people in 30 minutes. Pearl Harbor launched near-panic stories; yet when F.D.R. himself came on the radio seven weeks later and said the Pacific Fleet was still in good shape, only 24 per cent (according to a Gallup Poll) were willing to relinquish the rumor that the Fleet had been wiped out. The Office of War Information analyzed war propaganda, set up "rumor clinics" (columns in newspapers throughout the country), but only partially succeeded in scotching the lies. Many people met and believed the rumor even as they read the scotching.

Taking a longer range corrective view than the clinic's, Mr. Jacobson suggests three positive antidotes. First, there should be a free channel of expression and information, intelligently and objectively utilized. Secondly, there should be intensive mass education. Rather than training tomorrow's leaders, the educational system, he thinks, seems increasingly concerned with instructing tomorrow's breadwinners, teaching manual skills instead of training people to think. The third rumor curative is social and economic. Men must be able to associate themselves closely with their community and their jobs; men must feel secure in each and all.

Better editing could have cut this account of Dame Rumor by a third, but despite its ramblings it will open the reader's eyes and should give him a keener regard for the truth.

NEVIL SHUTE

Gulp When Taking

By JOHN PAUL

NO HIGHWAY—by Nevil Shute—*McClelland & Stewart*—$3.00.

IF ANYTHING, Nevil Shute has told this one almost too well—too well for peace of mind if you contemplate an air trip across the Atlantic. For hair-raising realism Nevil Shute names names—Royal Aircraft Establishment, Gander, Goose, Ottawa—and gives a tight, unassumingly - convincing - in - detail plot about metal fatigue in the tail assembly of big trans-Atlantic aircraft.

He calls them Reindeers; the reader will call them the name by which they were grounded a year ago. He talks about a crackup in Labrador, near Goose Airport; the reader, gulping hard, will recall reading in the newspapers about one at Gander not long ago. *Then he talks about one yet to happen.* Say, just how much make-believe is in this book?

But alarming you is really farthest from Nevil Shute's intention.. As a good story teller (better here than in "Pied Piper" and almost as gripping as in "Ordeal") and as a well-informed Fellow of the Royal Aeronautical Society, he wants to show that the scrupulous and painstaking investigation of accidents is the key to all safety in the air.

For his hero then, Nevil Shute takes an investigator. It would have been so easy to have translated a triple-gonged wartime hero from the R.A.F. for this postwar aviation job. But no—the hero is a mousy, bespectacled little research scientist called Honey, a middle-aged, rumpled, dirty-collared Milquetoast. Magically he becomes a heart throb to a charming stewardess and a glamorous movie queen; finally he wins over hard-boiled aircraft manufacturers and cold-hearted Ministry of Transport officials.

With such sharp contrast in personalities, characterization may seem pretty contrived. But the storyteller writes himself into the tale as Honey's boss and narrates it just as he got it from a ring-side seat. Take it or leave it!

As always Shute plots tightly, brings off sub-climaxes and climaxes in smooth style if a bit episodically. The moments of tensest drama are when Honey finds himself in a Reindeer high over the mid-Atlantic, on his way to investigate a crash in Labrador. Then he discovers to his horror that this Reindeer has gone 1422 hours, when, according to his studies back at Farnborough, the tail spar falls apart at 1440. Can Milquetoast Honey get them to turn back? Anyway, he tells that favorite stewardess and movie actress what they (and the reader too) can do for safety in case of "acute deceleration" ("crash" to you): sit backwards on the floor of the men's lavatory.

EXTRA EARLY NEW TOMATO

Early Chatham

Earliest Quality Tomato Yet Developed — Valuable For All Parts of Canada

Of immense value for the North and West and other short season districts. Highly desirable for all other areas too as an extra early sort producing fine quality ripe fruit as much as two weeks or more before most other varieties. Has been a sensation on the Prairies since 1943, including such districts as Lethbridge and Brooks, Alta.; Indian Head and Swift Current, Sask.; Brandon and Morden, Man. Around Calgary, where first distributed under the name of "Alberta", gardeners were simply "wild" about it. At Lethbridge Early Chatham ripened a week to twelve days before other extra early varieties. At Morden, Man., it has yielded as much as 20% to 40% greater crops than other good earlies. Early Chatham is dwarf, non-staking, and may be planted as closely as two feet each way. Fruits uniform, fine shape and colour; delicious quality. Average about 2¼ inches across but frequently larger. **(Pkt. 15¢) (oz. 75¢) postpaid.**

FREE OUR BIG 1949 SEED AND NURSERY BOOK 55W

DOMINION SEED HOUSE, GEORGETOWN, ONT.

through the year . . . a canary fills e home with sunshine. His happy ice brings constant pleasure. And canary is so easy to care for. Just a et of Brock's Bird Seed . . . the perct blend of clean, fresh seeds in corect proportions... keeps him healthy nd happy. Give him Brock's Bird Gravel too . . . keeps his feet clean, helps his digestion.

Keep them singing with

IF YOU OWN A BUDGIE . . .

BROCK'S BUDGERIGAR FOOD

You know what he needs now ...but what of the future?

One thing your son is *sure* to need when he's grown up is life insurance protection—and you can guarantee *today* that he'll have ample insurance when he needs it. The wonderful plan that makes this possible is the Great-West Life Estate Builder — which "grows up" with your child, though the low childhood premium never changes.

Here's what the "Estate Builder" does for a boy of nine: provides him with $1000 of insurance protection right away; *automatically* increases to $5000 when he reaches 21 (without further medical examination or any change of premium) and costs only $54.11 a year. If needed, the Estate Builder can provide cash to help with educational or other expenses.

For the sake of your son's future, ask your Great-West Life representative about it or mail the attached coupon for fuller information—*today*. The policy is available to children from birth to age 11.

Your future is our business Today

GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG

THE GREAT-WEST LIFE ASSURANCE COMPANY, Winnipeg, Manitoba
Please send me full details without obligation on an Estate Builder for my child.
Name .....
Address .....
My son's ☐ *daughter's* ☐ *age is* .....

FILM PARADE

Even When It Is Deplorable Gangster Film Is Easy Fare

By MARY LOWREY ROSS

IT'S probably no consolation to people already sufficiently worried about the improprieties of youth to point out that gangster pictures are almost invariably superior in authority, style and interest to films on the approved lists. Hollywood may falter over questions of taste, subtlety and reality but it is wonderfully at home with the violence, the deadly pace and the special lingo its fascinating hoodlums demand.

There is plenty of room for criticism of the current gangster film "Criss Cross." There are weaknesses in both characterization and plot. The characters are familiar and so are the situations — including the climax which is almost an exact duplication of the climax in "The Killers". Yet while you are watching "Criss Cross" the interest holds up. The camera remains deadly and undeviating, and never so undeviating as when it is up to its old trick of covering up lapses from credibility.

There are plenty of these. Would the far from bright hero, for instance, have been able, on the spot, to evolve an intricate plot for robbing an armored truck? Would a killer have gone to that trouble of inventing a story about an ailing wife as an excuse for hanging around the hospital, when he could easily have cocked a gun and whisked his victim out without any strain on his imagination? Wouldn't the hospital have checked his ailing-wife story, and wouldn't there be a night supervisor or at least a probationer on hand to see that bed-patients stayed in bed?

These are considerations that may easily occur to you while the picture is still before your eyes; but they aren't enough in themselves to break the peculiar gangster-film spell, which is a matter of speed and momentum, together with such a superb command of surface that nothing beneath the surface seems particularly important.

Burt Lancaster is admirable in pictures of this type, since he is large, wooden and almost immobile, which makes the play of evil action about him all the more nimble and malignant. He shouldn't play any other role, and by the look of things he isn't destined to. Yvonne de Carlo, deprived in "Criss Cross" of her usual Sheba getup, gives a surprisingly straightforward performance as a female tramp who wants both love and money but faced by an alternative is agreeable to settling for cash.

Voice of Doom Is Added

It must seem to reasonable people that there are already enough reasons for disliking the behavior of Communist agents without going out of the way to invent them. However, the producers of "Walk a Crooked Mile" have done just that in a film which relates with painstaking detail and a great deal of implausible action a story of F.B.I. activity directed against a Communist espionage ring. To give the picture added authority they have even supplied a Voice of Doom on the sound-track. This semi-documentary treatment, far from lending authenticity, adds immeasurably to the picture's air of hokum.

Dennis O'Keefe and Louis Hayward are both involved in this rather gratuitous affair. "Walk a Crooked Mile" looks ominously like the beginning of a trend. I hope I'm wrong.

•

"Symphonie Pastorale" from the French studios is one of the loveliest pictures to come this way in months, if not in years. Based on a short story by André Gide it tells of the subtle and complex relationship built up over the years between a blind girl and her foster father, a married Swiss pastor. Even more blinded by piety than the girl by her affliction, the pastor fails to recognize in himself the emotions of a jealous and possessive lover, and before he arrives at self-knowledge the lives of half a dozen people have been desolated. The story is told with a sustained insight and tenderness that are never absent, even when the insight approaches irony; and it is incomparably acted by Michele Morgan and Pierre Blanchar. The narrative tends to weaken towards the end and the ending itself may seem cinematic rather than classic in its inevitability. These are minor flaws however, in a film that transfers to the screen a highly complex and sensitive work of fiction, without either betrayal or loss.

•

"Words and Music" purports to set forth the story of Composer Richard Rodgers and Lyricist Lorenzo Hart; and it isn't entirely Mickey Rooney's fault (though he will probably get all the blame) that the Hart role was developed about the talents of Mickey Rooney rather than those of Lorenzo Hart.

Since Rodgers and Hart seem to have led prosperous and personally uneventful lives, the reasonable approach would have been to concentrate on their particular talents and keep their private lives in the background. But a reasonable approach is unthinkable in an M.G.M. musical, so Mickey was cast in the leading role, and try to keep Mickey Rooney in the background.

The cast includes Judy Garland, Gene Kelley, June Allyson, Cyd Charisse, Lena Horne, and dozens of others, all intensely vocal and active.

Irene Carter will play the role of Lady Bellaston in Canada Packers Operatic Society's "Tom Jones", Eaton Auditorium week of Feb. 14.

SWIFT REVIEW

RED SHOES. Life on stage and behind stage in the higher branches of ballet. The ballet numbers are brilliant and beautiful, and so is the prima ballerina (Moira Shearer). Recommended.

MY BROTHER JONATHAN. A slow-paced and rather doleful English drama about the struggles of a self-sacrificing young doctor (Michael Dennison) in an English industrial town. Even the selfish people in this film are rarely cheerful.

THE SNAKE PIT. Some aspects of schizophrenia, and the treatment it sometimes receives in a Twentieth Century bedlam. With an admirable performance by Olivia de Havilland.

Winter Sailings TO EUROPE!

BY WHITE EMPRESS

On your next trip to Britain enjoy spacious accommodation and restful comfort on a completely reconditioned 20,000 ton Canadian Pacific White Empress. Frequent sailings from Saint John and Halifax by *Empress of Canada* and *Empress of France* . . . first class return accommodation available.

WINTER SAILINGS from SAINT JOHN and HALIFAX* To LIVERPOOL

Mar. 2.....EMPRESS OF FRANCE
Mar. 16.....EMPRESS OF CANADA
Mar. 26.....EMPRESS OF FRANCE
Apr. 13.....EMPRESS OF CANADA

*From Halifax one day later.

First Class $240 up Tourist $152 up

Sailings by the passenger-carrying freighters *Beaverford* and *Beaverburn* approximately twice monthly . . . dates on request. First Class fare $220.

Full Information from any Canadian Pacific office or your own travel agent.

Canadian Pacific

MOULTON COLLEGE
70-88 BLOOR STREET EAST
TORONTO
RESIDENTIAL AND DAY SCHOOL FOR GIRLS
GRADE I TO XIII
Central Location
New Senior Residence
New Modern Equipment
MUSIC • ART • SPORTS
School Re-opens Sept. 14th
For illustrated brochure, write or telephone the Principal
MISS MARJORIE TROTTER, M.A.

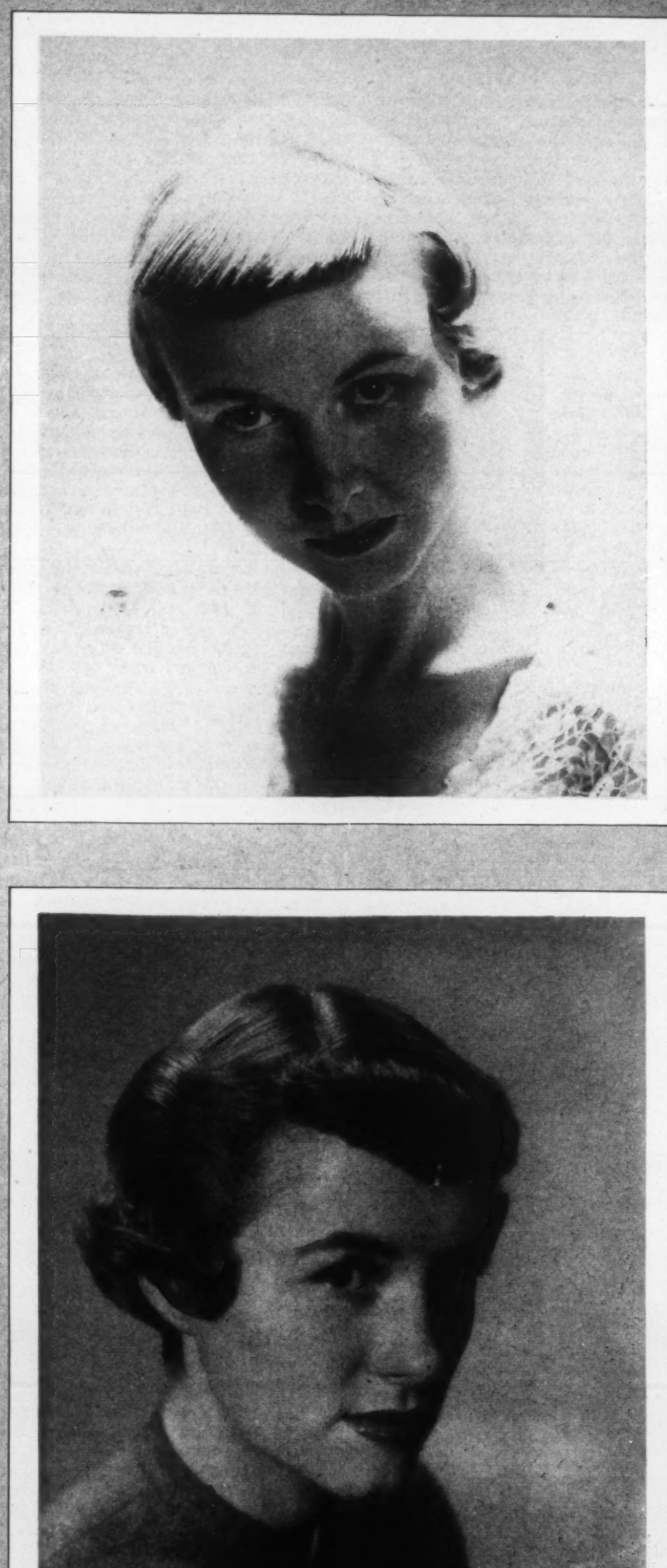
HATS TO WIN YOUR HEART

. . . . and turn your head,
a disarming sailor
and a shapely turban,
designed by Sally Victor
expressly for Spring.

Salon Millinery,
Fashion Floor, The Third

Simpson's Toronto

Tune to Simpson's broadcasts of the Toronto Symphony "POP" concerts every Friday, 9 to 10 p.m. E.S.T. over CBC trans-Canada network.



COIFFURES BY MICHEL

PHOTOS COURTESY HELENA RUBINSTEIN SALON, TORONTO

HEADLINES : SPRING, 1949

This version of the sophisticated upswept coiffure has new softness in uplifted lines at temples, back. (Top)

Joan-of-Arc bangs shaped with precision, are accompanied by a simple part, smooth cap-like crown. (Below)

A suggestion of a curl over the ears serves to emphasize sleek top, swirled curled-under bangs. (Top)

Artful shaping is the secret of sides that are upswept while ears are concealed by forward-swept curls. (Below)

WORLD OF WOMEN

BERNICE COFFEY, *Editor*

PERSONALITIES

Who Is This Mrs. Sutherland?

By JEAN LOVE GALLOWAY

RECOGNIZED as a topflight policy maker and seasoned investigator in national affairs, Mrs. T. W. Sutherland of B.C. manages her own hotel on beautiful Vancouver Island, owns nearly 200 acres in the heart of the Canadian Rockies, once owned and operated two newspapers, is a doctor's wife and has three children.

Time and again, round the rim of important national conference tables, Mary Sutherland of Parksville, Vancouver Island, has been the lone woman representative. She is the only woman on the Board of Governors of the Canadian Broadcasting Corporation. At present, Mrs. Sutherland is the only woman sitting on the Royal Commission on Prices. During the war, she was the one woman to serve on the Royal Commission investigating into the health and welfare of the Canadian Japanese. And in the depression years, she was the only woman representative on the National Employment Commission.

Who is this Mrs. Sutherland? Why does she get on where other women fail? Why does she click with Canada's male brainwaves in the field of business, industry, agriculture, government?

For the answer, I talked with a number of the men who have served with her on councils of national importance. They confide that Mrs. Sutherland is one of very, very few women who doesn't talk too much. They say she is competent without the usual female trait of trying to impress you with her efficiency and ability.

They point out that Mrs. Sutherland has an excellent brain, is alert to the question at hand, believes implicitly in getting all the facts before making a decision. Above all, Mrs. Sutherland is level-headed, with a natural urge to be fair in anything controversial. She assumes her share of the work and of the discussion, and never attempts to dominate the scene. As a result, she pulls her full weight in any committee.

Newton
Mrs. Sutherland

When I asked the manager of a small privately owned radio station what he thought of Mrs. T. W. Sutherland, here is what he said:

"She impressed me from the moment I laid eyes on her at a Board meeting when I came with a tough problem . . . You know, I used to be a horse buyer out West. And when you buy a horse, you look for one with lots of width between the eyes, and one that can look you straight in the eye. This kind of horse will never kick you when your back is turned . . . When I first looked at Mrs. Sutherland at the conference table, I could see she had plenty of space between the eyes. If Mrs. Sutherland voted against my request on any business matter, I would be confident of two things—either I was wrong, or I hadn't presented my case well. That's how much confidence I have in the soundness of Mrs. Sutherland's judgment."

When you pry into her private life, you find that level-headed Mary (McCallum) Sutherland started out as a Prairie school teacher in a small grade school. From there, she went into the newspaper and advertising business and became business manager of the Revelstoke *Weekly Review*. In no time at all, Mary owned the *Review* and bought the bi-weekly Revelstoke *Bulletin* which she managed as well.

Upon whipping the combined papers into a going concern, Mrs. Sutherland sold them at a neat profit and took the job of women's editor of the Regina *Leader Post*. Always on-the-plan, Mary was not to sit down here for long. She got located in Winnipeg in charge of women's work on the *Country Guide*, (then The *Grain Growers' Guide*). Sir Norman P. Lambert was, at that time, secretary of the Canadian Council of Agriculture and Mrs. Sutherland was shortly appointed assistant secretary.

But romance found its way into the heart of this ambitious Westerner. For Mary met T. W. Sutherland, a young medical doctor. They were married and went to live in the Cariboo. For 12 years, Dr. Sutherland served as the chief medical officer of the mining area. It was there that his wife gave birth to two girls and a boy.

When in 1936, the Canadian government set up the National Employment Commission to find employment for a million people on the relief rolls, it was Mary Sutherland who was chosen as a Western representative to come to Ottawa and get cracking on the nation's biggest problem—unemployment.

She Wants Facts

By then, the three Sutherland children were old enough to go to boarding school and their Dad was anxious to complete postgraduate work in medicine at McGill and in New York. Mrs. Sutherland lived in Ottawa for three years where she grappled with the national headache unemployed youth.

Meantime, Dr. Sutherland completed his studies and they went back West to live in Revelstoke where the Doctor took over a large practice.

With World War II came the Japanese problem on the West Coast. Trouble was brewing. Canadian Japanese were being transplanted from the defence area east of the Cascade Mountains. Public complaints blazed up that these Japanese Canadians were being ill treated. The Government promptly appointed a Royal Commission on the care and welfare of Japanese citizens in the evacuation centres of British Columbia.

Mrs. Sutherland, determined to see that the facts were found, visited hundreds of Japanese huts checking on conditions of family life for herself. This was no small job as there were about 23,000 Japanese evacuees. Because of her thoroughness in checking the conditions first hand, Mrs. Sutherland was stricken with a serious siege of scarlet fever contracted in one of the camps.

In her report to committee, Mrs. Sutherland was convinced that living conditions among these Japanese were generally good with adequate medical facilities and that following her exhaustive investigation of the huts and communities, there was no justification for the current public criticism.

As a Governor of the C.B.C., Mrs. Sutherland does her share of formulating policy, drawing up annual radio budgets, making and revising regulations. Most important, and perhaps most ticklish matter to concern the Board at all times is promoting and retaining the greatest possible cooperation between private radio stations and the C.B.C. in developing radio for the people of Canada.

As for the family of this outstanding career mother—Josephine was graduated from Queen's University in 1945 and is now employed as Educational and Information officer for the United States Air Force at Goose Bay. Tommy has just been graduated in Arts from the University of British Columbia and is studying Law there. Katherine is in her third year Arts at Queen's.

Two years ago, Mrs. Sutherland used her capital from her newspaper to purchase a hotel on Vancouver Island. There was no doctor in the village of Parksville, which meant that her husband could set up his medical office in the hotel with a readymade practice and an ideal spot to retire. Mrs. Sutherland has a woman partner who takes charge of the hotel when she is away.

Right on the sea, Mary Sutherland has made her "Island Hall" a delightful all year round country inn accommodating 30 guests. Dr. Sutherland takes a personal interest in his wife's hotel project. Tea by an open fire in this quaint old inn is the Sutherlands' conception of perfect peace.

JOAN RIGBY

COATS
DRESSES TWEEDS ACCESSORIES
SUITS

54 BLOOR STREET WEST TORONTO, CANADA

Midway 4969

BRAIN-TEASER

Hearts and Flowers

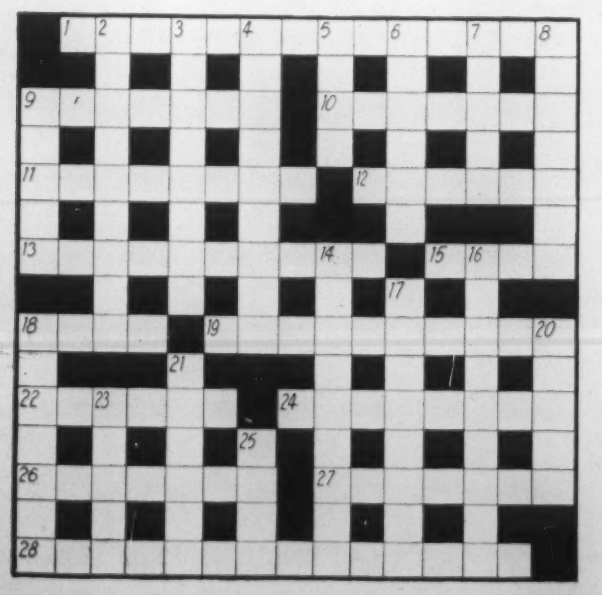
By LOUIS and DOROTHY CRERAR

ACROSS

1. But he's a blessed nuisance to postmen on Monday. (5, 9)
9. It's a change for Ina and Mona to be in B.C. (7)
10. See 23.
11. No smoothie does this on vacation. (6, 2)
12. Hooked, lined and sinkered. (6)
13. A decent boss, in turn, may be this to his superior. (6-4)
15. Born under the right one you'll have all the 5. (4)
18. Change the garment in 27. (4)
19. See 23.
22. To recline in an untidy rug will not improve your appearance. (6)
24. High up in the church (among the arches, perhaps). (8)
26. Canada could not have been a colony without one. (7)
27. Seen around, about to steal dresses. (7)
28. The correct Englishman will, no doubt, before stepping into the cannibals' pot. (5, 3, 6)

DOWN

2. He rings up the curtain on a soap opera. (9)
3. Giving the horse-laugh. (8)
4. It puts hair on the fiddle. (6, 3)
5. See 15. (4)
6. They run up and down the legs. (6)
7. Tennyson wrote more than one of the King. (5)
8. A Duce or a country. (7)
9. In Nova Scotia Ron finds Scandinavian fates. (5)
14. A penetrating point when brought up by savages. (9)
16. To put a cart up on the table should be easily managed. (9)
17. Motorists! They should be seen and not hurt. (8)
18. Black and blue. (7)
20. Buck-teeth worth bucks. (5)
21. "To what new . . . . . of marvel, say, Will conquering science war its way?" (W. C. Bennett) (6)
23. 10 and 19. Asking permission to phone Valentine greetings in song. (3, 2, 4, 3, 10)
25. A musical crowd? (4)



Solution to Last Week's Puzzle

ACROSS

1. Supplicate
6. Swap
10. Grooves
11. Nut-tree
12. Short hair
13. Lit up
14. Crab
15. Maple syrup
18. Boson bull
21. User
23. Yearn
25. Ostracize
27. Oddment
28. Upended
29. Eons
30. Free-trader

DOWN

1. Sages
2. Proposals
3. Levity
4. Cascara
5. Tendril
7. Worst
8. Pied Piper
9. Stylist
14. Cubbyhole
15. Rescinded
17. Counter
19. Bloater
20. Lettuce
22. Career
24. Arden 26. Elder (41)

Planned Economy!

Tex-made T.M. REG'D.

COLONIAL SHEETS

TODAY, more than ever before women who must make every cent count are depending on long-wearing "Tex-made" Colonial Sheets. They also depend on their ability to stand the hard wear and tear of everyday use and still retain their smooth fine texture.

No matter what your plans call for there is a "Tex-made" sheet for every budget. "Colonial" for finest quality and long wear; "Hospital" a heavy duty sheet for hard usage; "Bungalow", the best buy in the popular priced field; "Four Star", the inexpensive utility sheet.

Available at leading stores from coast to coast.

Tex-made T.M. REG'D.
IS WELL MADE

by DOMINION TEXTILE COMPANY LIMITED • MONTREAL

PROLONGED BEAUTY

The Care of Cut Flowers

By LYN HARRINGTON

WINTER lingers on so let us have masses of flowers in the house to make up for the cheerlessness out-of-doors. A dozen long-stemmed beauties arriving at the door brings a glow of pleasure to anyone. But all too soon comes the wail, "Oh, dear, they're lovely but they don't last long enough."

Pressed into a corner, your florist can give you plenty of hints on how to prolong the beauty of your bouquet. It's not that he minds giving out advice—only it takes up so much of his precious time. Here's what one of them has to suggest.

"If you are looking for flowers that will last, be careful in the selection in the first place. Roses are not given to durability. They're definitely in the luxury class. Chrysanthemums, in much the same price bracket, give far longer service on the mantelpiece. Cornflowers keep well. So do dahlias."

Chrysanthemums top the fall and winter lists for most florists, with roses, of course, in demand throughout the year. Daffodils edge in just ahead of tulips in popularity come springtime, while gladioli are in first place for midsummer. The orchid has admirers—and purchasers—any time this queen of flowers chooses to bloom, but Christmas and New Year's are peak of the season for them.

Bouquet's Lifeblood

But there are certain rules which definitely add to the life of any bouquet.

Be sure that your flowers have a good supply of water. Deep containers are kinder to the blooms than shallow ones, since the water must be drawn up the stems into the blossoms. When the water is deep, it rises by force of gravity, and means little drain on the flower's energy. Shallow containers, though popular in floral arrangements, are not conducive to floral longevity.

Then, fresh water every day, please. And that means washing out the container with soap and water, or scalding it with boiling water. Bacteria form on vase and stems, plugging the cells against absorption of moisture. And water is the lifeblood of the bouquet.

When changing the water in the containers each day, florists recommend that it be room temperature. The stems can absorb warm water much more readily than ice water. Flowers that are a little wilted respond well to this temperature, too.

Keep your bouquet away from radiators, lamps or bright sunlight if you want the flowers to endure. Dry air absorbs the water in the container and hastens evaporation from the leaves as well. Drafts are bad for the same reason, since they dry out petals and foliage. Evaporation is reduced by massing your flowers, too, rather than displaying them singly or in sparse arrangements.

Stimulants

Another means of getting longer life in your bouquets is to remove them from the dry heat of the living room at night. Set them in the kitchen, if that's cooler, or down in the basement. A temperature of around 50° F. is about right for the blossoms, a temperature they enjoyed in the florist shop.

Certain tablets, notably Bloomlife and Floralife (trade names for the same thing) can be added to the water to spruce up drooping flowers. Many florists use them extensively, and in many shops it is the practice to include a package of the nutrient along with a dozen roses. Roses, particularly, take to this type of stimulant.

For a time it was believed that aspirin or salt would keep flowers crisp for a longer period. That idea has now gone by the board among florists, who declare it does nothing except possibly sterilize the water to some degree.

Then, there's specialized treatment for different species. Always trim off sodden lower leaves. And most flowers should have the ends of the stems removed each day, since the bacteria plug up the cells. A slanting cut makes for better absorption of water, and use a sharp knife or razor for cutting, since scissors are apt to crush the cells.

And yet, crushing is recommended treatment for chrysanthemums. The florist hammers the end of the stem to a pulp, so that the woody stems can absorb more water.

"Sometimes people phone us that their mums are dying the day after they get them," one florist pointed out. "They cut the ends of the stems all right, but don't pound them. Chrysanthemums just can't get enough water otherwise."

Roses call for slightly different treatment. Their stems should be slit a couple of inches from the bottom. Carnations must be cut between the joints, never at the joints. Daffodils and all members of the narcissus family last better if you squeeze the jelly-like substance at the ends so that it forms a seal over the cut end.

Other flowers are given a longer lease on life by searing the ends. Poinsettias, dahlias, poppies and some other flowers secret a liquid latex. By plunging the ends into boiling water, or singeing them over a flame, the stems can be sealed so that the vital fluids do not bleed away. When treated in this way, poinsettias last almost as long as a cut flower as they do on the plant.

You can get a few extra days of pleasure out of your bouquet by using different containers. As you cut the stems day by day, put the flowers into lower or shallower bowls. Roses take readily to the life of a water-lily, floating in a rose-bowl. Gladioli can go into squat vases as their lower blossoms die, and the upper ones develop.

In fact, if you'll but scan different flower arrangements, you will discover that for many flowers their latter end is more decorative than their beginning. Proper treatment of your bouquet will prove that flowers are not the extravagance they appear at first glance.

• •

HOUSING SHORTAGE

HELLO, fly! You still around
When snow is deep upon the ground?
Are you trying to locate
A cosy place to hibernate?
Well, sir, very much like you,
I have a housing problem, too.
Wish *mine* were so uninvolved.
Swat! *Your* housing problem's solved.

P. J. BLACKWELL

Oh, the Beauty of it!

Pale Velvet Hands with Whispering Fingertips...

One unbroken sweep of pale velvet beauty is a "must" with this season's disclosing clothes and smaller accessories.

Ardena Hand-O-Tonik

Crimson Lilac Nail Lacquer

Everything else to keep your hands pale-velvet-beautiful, too:

CAMELLIA EMOLLIENT HAND CREAM . . . wards off age signs, 1.75

FOOLPRUF UNDERCOAT . . . prolongs lacquer life, protects nails, 1.00

ARDENA BLEACHINE CREAM . . . helps lighten discolored hands, 1.50

ARDENA BLEACH CREAM . . . for more stubborn cases, 1.85

ARDENA CUTICLE CREAM, 1.75

From shoulder to fingertip . . . Ardena Hand-O-Tonik! So extra-protective, so richly concentrated, every single drop counts! Lightens, soothes, softens, of course . . . but, because Elizabeth Arden creates it, it does even more . . . leaves a non-sticky invisible after-film that continues to protect against wind and weather . . . use it extensively! (For pretty fingertips wear a new whispering lacquer tone—Crimson Lilac is the latest—Amazing, how such a delicate-looking lacquer can be so sturdy!)

ARDENA HAND-O-TONIK, 1.25, 2.25 NAIL LACQUER, 1.00

Elizabeth Arden

SIMPSON'S, TORONTO

And at Smartest Shops in Every Town

SYMPHONY
POP
CONCERT
PAUL SCHERMAN, Conducting
FRIDAY February 18 8.15 P.M.
BRIAN SULLIVAN
Tenor
50c, 75c, $1.00, $1.25 (no tax)
MASSEY HALL

Ideal Beauty Salon
W. O. WIEGAND
Permanent Waving : Beauty Culture
Hair Goods
58 BLOOR ST. WEST Kingsdale 1293
GOLD MEDALIST DIPLOMIST

WILLIAM HOLLINS & CO. LTD. DAY & NIGHT WEAR VIYELLA HOUSE, NOTTINGHAM
Check these Points
It won't FADE
It won't SHRINK
but
It will WEAR and WEAR and WASH and WASH!
'Viyella' REGD.
FLANNEL
Test Viyella Flannel for yourself. You will be delighted with dresses and children's clothes made of Viyella, the original long wearing, shrink resisting colorfast fabric that washes and washes.
The British Fashion Fabric that Wears and Wears
GUARANTEED WASHABLE & COLORFAST
LUX TESTED
36" and 54" wide. At all leading stores or write Wm Hollins & Co. Ltd., 266 King St. W., Toronto

Holiday in NASSAU
BAHAMAS
Relax in the balmy climate of colourful Nassau! Delight in its quaint shops, magnificent gardens, gay social life . . . its sea-bathing, deep-sea fishing, golf. Sterling area — no currency restrictions for Canadians.
Cruise ships from New York—TCA from Montreal and Toronto—Overnight ships or frequent planes from Miami.
Accommodation — Finest hotels, guest houses — to suit all purses.

MUSIC

Adaskins On Tour

By JOHN YOCOM

FAMED throughout the breadth of the land for his violin technique, knowledge of music literature and ability to make both more intelligible to music lovers, Harry Adaskin, head of the Music Department of the University of British Columbia, made a Toronto appearance with his pianist wife Frances Marr in Eaton Auditorium last week. There was a small but appreciative audience.

On this national tour, the Adaskins have featured the exacting Beethoven Violin Concerto in D major. The interpretation last week was one of beauty and dignity, rather than brilliant, varied fiddling and virtuosic piano-playing. The team handled the opus in a manner that fully demonstrated the depth, breadth and lucidity of the work, which by the way has only one serious rival for top violin place—that by Brahms in the same key.

The Beethoven work demands the application of persuasive powers and the Adaskins supplied those. There was little remiss in the presentation of the romantic qualities of the freely constructed Larghetto and the sprightliness of the Rondo, but, as one might expect, we missed the orchestral texture of the first movement. And although Frances Marr did admirably to overcome the limitation in expressive scope, there was no substitute for the strength and color of strings and woodwinds. Besides, last week the Adaskins in seeking lucidity were "controlled" interpreters—a fact which probably added to listener understanding of the structure but did little for passages calling for gusto and strength.

Mr. Adaskin selected an interesting second group—four moderns, three of which were Canadian and Toronto premières. Barbara Pentland's "Vista," despite an excellent and sympathetic performance, resulted mostly in tiny gusts of ideas that got nowhere. There was a marked rhythmic framework as its strongest identifiable feature but what little lyricism there was never seemed to join hands with the rhythm. "Poem" by Jean Coulthard, U.B.C. faculty member, was much more satisfying. It was finely wrought with delicate melody, rippling piano fill-in and structural coherence and emphasis. "Ballad" by Montreal-born Henry Brant, who now teaches in New York, was a special adaptation of the second movement of his "Symphony of the Thirties." Adaskin movingly played the warmly (plenty of G-string) themes and Frances Marr set up a broad contrasting piano background pleasantly reminiscent of spirituals, blues, etc. Copland's colorful "Hoe Down" completed the program.

•

The Winnipeg Ballet teed up for the Dominion Ballet Festival, which commences at Toronto's Royal Alex on Feb. 28 for a week. with a two-night program recently. The orchestra was directed by Walter Kaufmann, newly appointed conductor of the Winnipeg Symphony Orchestra. Numbers included "Visages", première of a new ballet by Mr. Kaufmann, "Swan Lake" excerpts, "Chapter 13" with a new score by Robert Fleming, Ottawa composer, and "Slavonic Dance".

Brian Sullivan, popular U.S. tenor, at T.S.O. Pop concert Feb. 18.

Brian Doherty's New World Theatre Company, which opened in Vancouver Feb. 7 for a week, is offering scholarships this year to the top man and woman artists at the Dominion Drama Festival. Doherty is planning on opening a drama school in Cobourg, Ont.

In keeping with the policy of the Vancouver Symphony Orchestra to give the younger Canadian artists an opportunity to appear before the public, two of them performed recently with the fine West Coast organization conducted by Jacques Singer. The brilliant young violinist Gordon Staples came from Philadelphia to play the Beethoven Concerto in D major in the Sunday afternoon program of Feb. 6. The other was the talented pianist, June Richards McBride, who was soloist at the "Pop" concert in the Park Auditorium a fortnight ago, playing the Grieg Concerto in A minor. She was the twelfth Canadian artist to appear with the Vancouver Symphony this season.

André Merineau, organist of the Church of St. Georges de Longueuil, Montreal, was recently declared the winner of the Casavant Prize for organ playing instituted annually this year. Mr. Merineau studied with Georges Emile Tanguay of Montreal and Conrad Bernier of Washington. Winners of the second and third prizes were Jeannine Vanier of the Nazareth Institute and Gaston Arel of St. Hyacinthe.

Symposium

The International Federation of Music Students, whose symposiums have become events of first importance, will hold this year's at the New England Conservatory of Music in Boston, March 16, 17, 18, 19. The guest school will be the Peabody Institute of Music, Baltimore, Md.

Pre-symposium events in Toronto will include a recital by Richard W. Ellsasser, brilliant young American organist, in the Royal Conservatory Concert Hall, Feb. 14, at 5 p.m., in aid of the symposium fund; recital by Boris Roubakine, internationally known pianist recently appointed to the Royal Conservatory piano faculty, in the Concert Hall, Feb. 28, at 5 p.m., also in aid of the fund; performance of the chamber works chosen to represent Toronto at the symposium, March 10, at 8.15 p.m.

ST. CATHARINES CIVIC SYMPHONY: The one-year-old organization, directed by Jan Wolanek, has had sensational public support and success. For program on Feb. 20 pianist George Haddad will be the guest artist.

PRIZE PLAY AT QUEEN'S

AT THE 50th anniversary of the Queen's University Drama Guild, a special performance of the winning play of the 1948 competition, William R. Digby's "The Vise", will be presented in Convocation Hall on the evening of Feb. 19. The week-end celebration commences on Friday evening, Feb. 18, with a banquet in the Great Hall of the Students' Memorial Union. On Saturday afternoon, the distinguished Canadian actor Raymond Massey will receive an honorary degree of Doctor of Laws at a special convocation in Grant Hall. Afterwards the Drama Guild will present a fashion parade of costumes collected during its 50 years.

—Photo by Crampton

Josephine Barrington, who plays in "Oedipus" by New Play Society at Museum Theatre, Feb. 11 to 19.

PIANOS
LOUIS XVI STYLE
STEINWAY GRAND PIANO
in Circassian walnut, $4,200.00
(It would be well worth your while to come in, hear and see this exquisite instrument.)
MASON AND HAMLIN
EBONIZED BABY GRAND
in beautiful condition, $2,900.00
Heintzman & Co. Grand, mahogany, $1,200.00
All renovated
RENTALS
Uprights — $5.00 per mo. up
Grands — $20.00 per mo. up
PIANOS TUNED
PAUL HAHN & Co.
22 BLOOR EAST

Oriental Cream
GOURAUD
...ideal for day and evening events...aids in restoring youthful appearance.
White, Flesh, Rachel, Sun-Tan

ONE FOR THE MONEY — And it costs far less than you think for a winter holiday in Old Québec . . . with the Château Frontenac as your gracious host!
TWO FOR THE SNOW — And what snow! The Ancient City in its white mantle . . . completely charming . . . and at the Château, delicious food, superb service, dancing and crackling log fires!
THREE TO GET READY — Ready for skating, sleighing, tobogganing . . . ski instruction by Fritz Loosli at Lac Beauport Snow Bowl . . . gentle slopes or exciting downhill runs at Valcartier . . . and camaraderie at the Ski Hawk Club!
FOUR TO GO — For the time of your winter life . . . Old Québec . . . offering you a variety of sports and a distinguished address at the Château Frontenac.
Information and reservations from any Canadian Pacific agent or write Hotel Manager.

Château Frontenac
IN OLD QUÉBEC
A CANADIAN PACIFIC HOTEL

CONCERNING FOOD

The Feeding of Friends

By MARJORIE THOMPSON FLINT

The obvious solution to the what-I-serve problem for an evening's gathering is easily disposed of if you just order everything but the coffee and cream from cake shop or caterer. This method saves wear and tear on the hostess and, while it may not yield any interest on the money invested, it certainly has its advantages. We are exceedingly envious of those who can do so without the long finger of scorn being pointed at them. This column has learned that persons connected with the food business in any capacity are expected by their friends to produce the goods (baked and otherwise) created by their own hands.

Having aired that particular chip-on-the-shoulder we will continue with the general theme of evening refreshments. Unexpected callers can pose quite a strain upon the resources and imagination but if you are a well organized homemaker there will be a box of cheese, some sandwich spreads, crackers and fancy sweet biscuits reposing upon the guests' shelf (emergency shelf, if you like it better) from which you can turn out an appetizing array of this and that plus beverage to please.

Planned occasions are a different proposition—you can either make it a feast or a snack depending upon what the situation demands. On the whole the majority of people would prefer to forego lavish and rich food served fairly late at night. Whipped cream desserts, sweet salads and the like are definitely not the best foods to induce peaceful slumber and your guests will thank you to omit them. The good old standby of sandwiches is by far the most popular, easy to eat and convenient for the hostess since the making can be accomplished well ahead of time and served fresh from the refrigerator.

We are about to offer a few versions of the ever-useful sandwich. They may not be particularly unusual but these sandwiches are easy to do and very good to eat.

Cheese And Dried Beef

1 8-oz. package processed cheese
4 oz. dried beef, minced
2 tbsp. catchup or chili sauce
1 tsp. prepared mustard
2 tbsp. chopped nuts (optional)
Mayonnaise to moisten

Have the cheese at room temperature and cream it until smooth. Put dried beef through food chopper and also the nuts. The nuts provide texture interest to the mixture and can be omitted without detracting from the flavor.

Combine, cheese, beef, nuts and the remaining ingredients. This will yield 2 cups of filling which will keep quite a long time if stored in a covered jar in the refrigerator. It is excellent with white bread and makes very good filling for toasted sandwiches (closed variety).

Wiener Pinwheels

Remove top and side crusts from loaf of sandwich bread. Then cut in slices (about 10 slices to a loaf) lengthwise of the loaf. Spread each slice with softened butter or margarine and then with prepared mustard. Place 1 cooked wiener at the end of the slice and firmly roll up the bread around the wiener like a jelly roll. Press together and trim off the excess piece of wiener (eat it quickly before anybody discovers what you're up to). Wrap in wax paper seam side down Each roll should cut into 4-5 pinwheels depending upon the thickness you desire. Toast on both sides before serving.

For an extra special piece of cake to serve for the sweet item on the menu we recommend with pleasure Mocha Nut Squares. They look professional and taste elegant. As a matter of fact you may have a hard time convincing your guests that you did make them since they have the sophisticated air of a French pastry. The cake is Cocoa Chiffon which is much better made a day or two before you ice the squares — fewer crumbs and more moist.

Mocha Nut Squares

PART 1—

COCOA CHIFFON CAKE:

⅜ cup (¼ cup plus 2 tbsp.) boiling water
¼ cup cocoa
⅞ cup (¾ cup plus 2 tbsp.) sifted cake flour
⅞ cup (¾ cup plus 2 tbsp.) sugar
½ tsp. salt
1½ tsp. baking powder
¼ cup cooking oil
4 unbeaten egg yolks
½ tsp. vanilla
⅛ tsp. red food coloring (optional)
½ cup egg whites
¼ tsp. cream of tartar

You will need an oblong cake pan 7 x 11 x 2. If your pan isn't 2" deep remember to fill the pan only two-thirds full and bake the remaining batter in cup cake pans or individual ring molds (ungreased) for 10-15 minutes. You have the makings of a fine dessert for three or four people.

Combine boiling water and cocoa and stir until smooth. Sift together flour, sugar, salt and baking powder into mixing bowl. Make a well in these ingredients and add oil, egg yolks, cool cocoa mixture, vanilla and red coloring. Beat until smooth. Beat egg whites with cream of tartar until they form *very stiff* peaks. Gradually fold egg yolk mixture into egg whites until thoroughly combined. Pour into ungreased pan and bake for 30-35 minutes in oven 350°F. Invert pan to cool. (Suspend between two other pans.)

PART 2—

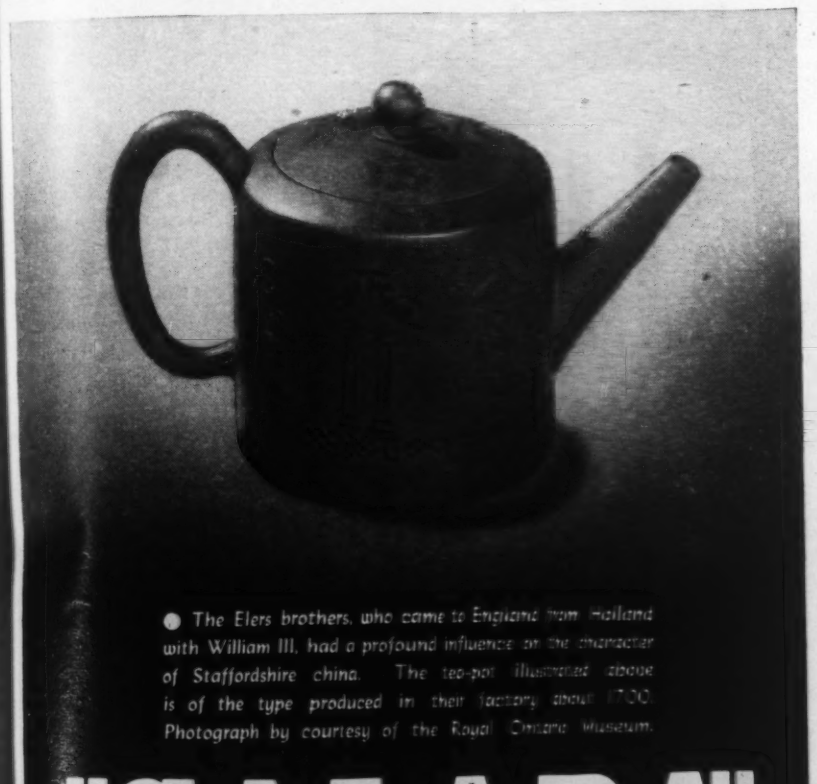
TO CUT AND FROST CAKES:

If your cake isn't the same height at sides as in centre trim off the outside edges. Cut the oblong cake into 6 x 4 giving you 24 squares. Cut off the top of each square about ¼ inch deep—this should give you a piece of cake which won't crumble. Use a short handled kitchen fork (the steel pronged variety) to hold the cake and ice on all sides and then the top—using the bottom of the cake for the top—if you get what we mean. Dip iced cakes in chopped nuts on the sides only or all over just as you wish. Arrange the iced cakes in paper soufflé or baking cups. You will need 4 oz. pecans or walnuts for the nuts and put them through the food chopper or nut grinder, for the best results.

Mocha Icing

1/3 cup cocoa
1/3 cup hot strong coffee
1/3 cup soft butter
1 tsp. vanilla
3 cups sifted confectioners' sugar

Combine cocoa and coffee and stir until smooth. Add butter and vanilla and blend thoroughly. Gradually add the sugar continuing to beat until smooth and fluffy.



● The Elers brothers, who came to England from Holland with William III, had a profound influence on the character of Staffordshire china. The tea-pot illustrated above is of the type produced in their factory about 1700. Photograph by courtesy of the Royal Ontario Museum.

"SALADA" TEA

★ Annual February Special ★

GIBSON'S QUALITY DRYCLEANING

includes garments, household goods and Gibson's popular "in-your-home" rug and chesterfield cleaning.

10% OFF ALL REGULAR PRICES

YOU CAN RELY ON Gibson's CLEANERS LIMITED

MELROSE 3591 TORONTO

FAST SUBURBAN SERVICE—Our car calls at your door in LANSING, NEWTONBROOK, WILLOWDALE, WESTON, KEMICO, NEW TORONTO, LONG BRANCH, PORT CREDIT, ERLEDGTON, COOKSVILLE — Simply telephone ZENITH 6-3000 (no toll charge).

STERA-TECT Mothproofing at no extra cost

Canada's Foremost Fashion Designer

DRESSES by Lawrence Sperber MONTREAL

HAVE A LONGER FASHION LIFE

Your favourite shop sells them

Best things first

For years, Canadian women who know and appreciate the best, have given Del Maiz Brand Cream Style Corn priority on their shopping lists. They know that no other corn has that deliciously different country-fresh tang of the succulent golden kernels packed in their own rich cream. That's why they buy the can with the familiar Green Giant on the label.

DEL MAIZ BRAND CREAM STYLE CORN

Grown in Essex County, the Sun Parlour of Canada, Fine Foods of Canada Limited, Tecumseh, Ont.

LONDON LETTER

Britons Flock To See Paintings Tate Gallery Wouldn't Hang

By P.O'D.

London.

IT WOULD not be surprising if the much-publicized Chantrey Bequest pictures were to prove one of the most popular exhibitions held in London for a long time. The sophisticated may purse their lips or wrinkle their noses or perform other facial feats indicative of disgust, but the simple-hearted public likes this sort of picture, large, glossy, and very realistically painted—especially if it tells a story.

Ever since 1877 anyone sufficiently interested in art or the Royal Academy—not always very closely related terms—to read about the R. A. Summer Show must have noticed the description "Purchased for the Chantrey Bequest" appended to certain fortunate paintings or pieces of sculpture. What it meant was that the works of art in question had been bought out of the funds left by Sir Francis Chantrey "for the encouragement of British Fine Art in painting and sculpture"—the encouragement to take the practical form of buying works of "the highest artistic merit". Note that "merit."

The good Sir Francis, in leaving his money as he did, no doubt hoped that it would lead to the gradual acquisition of a superb and representative collection of British art, which would be a national heritage. It might and indeed should have done so, but what it has actually led to has been the annual disappearance of a certain number of British pictures and statues into the cellars of the Tate Gallery, there to be shrouded from mortal gaze, except that of the official caretakers.

This "absurd and indefensible" position, to borrow a phrase from the Curzon Committee's report of 1913, is due chiefly to the fact that the trustees of the Tate Gallery have seldom agreed with the Royal Academy as to what constituted the necessary degree of artistic merit. The Tate could advise, but it couldn't decide; and it had to take the pictures. There was, however, nothing to make the Tate hang them; and with few exceptions, they were not hung. They simply disappeared, thereby causing an epigrammatic Academician to say that "the Tate puts its best pictures in the cellars and its best sellers on the walls".

Extraordinary Panorama

In all this protracted row, which has been smouldering and periodically flaring up for about fifty years, the public, like Marjorie Fleming's turkey, was "more than usual calm". It couldn't see the pictures, and it couldn't care less. But now at last it can see the pictures, all 437 of them, and all together on the walls of Burlington House in the Royal Academy Winter Exhibition. They form an extraordinary panorama of British art and British taste for over 70 years, and a very lively time is being had by all, public and painters and especially the critics. Nothing "cold" about this war! Everyone who has a bazooka is letting it off.

Actually there is in the collection a good deal of really sound work. There are even a few masterpieces. But there are more, far more of the sort of picture that a gallery like the Tate would much rather have in the cellar than on public view. Not that they are so badly painted, these pompous historical set pieces and elaborate sentimental anecdotes. Many of them are in their way quite well painted. Nor are they without interest. The Victorians loved them, and—make no mistake about it—there are many people who love them today, only not often painters, or art critics, or directors of galleries.

If the public goes on showing the interest that it shows now, there is a good chance that the Chantrey pictures and statues will at last get a permanent gallery all to themselves, if not in Burlington House, then somewhere nearby. It is under consideration. Thus the Tate will have much more room in its cellars, and the selection committee can go on adding works by eminent R. A.'s every year, and the critics can go on laughing sardonically. So everyone should be happy—including even the ghost of Sir Francis, who would probably have made just such a choice of pictures, if he had had the choosing.

Loss to Radio

Any man who can make 15 million people laugh every week, and go on doing it for ten years is a great comedian. And Tommy Handley did just that. He was far and away the most popular comedian of the B.B.C. and the most highly paid—more than £10,000 a year, which is big money in this country. His sudden death the other day shocked and grieved an immense and devoted public.

No description can give an adequate idea of Handley's special brand of humor, which was both very English and very personal. Though he was surrounded by a brilliant and highly organized team of script-writers and comedians, it was his personality that held it all together and gave vitality and warmth to the topsy-turvy world of which he was the ruler, where everything was absurd, and everything was said and done at top speed.

An American radio expert, who listened to Handley with rapt attention, once said to the B.B.C. program-director: "I can't understand a word the guy is saying, but it sure sounds like great radio". And great radio is what it was.

A Good Word for the Weather

Not for worlds would I say anything to disturb the peace of mind of Canadian golfers, now wistfully engaged in putting on the drawing-room rug or taking practice swings with a mashie in the attic. At the same time, in justice to the much maligned English climate—I have done a certain amount of maligning myself—it seems only fair to state that I recently watched a golf tournament under almost ideal conditions of turf and wind and weather. Yes, here in England!

Every year the members of the Oxford and Cambridge Golfing Society, which contains many of the best amateurs in the country, meet in January at Rye to compete for the high honor of hanging a ball on the famous "President's Putter".

This year they met as usual, nearly 80 of them, and for four days they fought their friendly battles, while the sun shone on the springy green turf and the yellow sand-dunes and the sparkling waters of the Channel, and the sky was clear and blue, and the wind soft. Forgive me for mentioning it, but, as I said before, it seems only fair.

Reselling New Cars

Purchasers of new cars in this country must sign a covenant not to resell them in less than a year. Most people abide loyally by the agreement, but a certain number don't—the temptation to break it being what it is. So short is the supply of new cars, and so high the demand, that you can easily get twice what you paid—if you care to forget your promise. Such profits are apt to lead to shortness of memory, and do.

As a reminder that these lapses of memory or honesty are not without peril, the British Motor Trade Association recently fought and won a suit in Chancery for violation of the agreement, and is now on the war-path against other transgressors. It is said to have some 7,500 similar cases on its list, and has already issued over 100 writs.

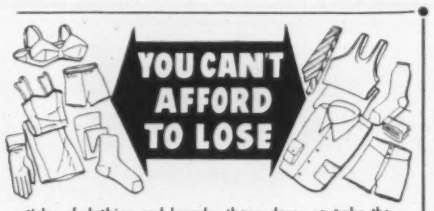
BERMUDA *at its best . . .*

DEEPDENE MANOR

Smiths Parish — Bermuda

A Luxurious Waterfront Resort Estate

Write for information or Consult your Travel Agent



articles of clothing and laundry these days—so take the simplest method of protecting everything by marking with CASH'S NAMES.

Quickly sewn on, or attached with NO-SO CEMENT. Washable and permanent. Order from dealer—or direct CASH'S— 439 Grier St., Belleville, Ont.

CASH'S NAMES	3 doz. $1.65; 6 doz. $2.20;	9 doz. $2.75 12 doz. $3.30	NO-SO CEMENT per tube 25c

READY to go to work in 2 SECONDS

STOP HEADACHE WITH ASPIRIN

TRADE MARK REG. IN CANADA

GENUINE ASPIRIN IS MARKED THIS WAY

BAYER

LOWEST PRICES
12 tablets 18c
24 tablets 29c
100 tablets 79c

LONDON and BIRMINGHAM

BRITISH INDUSTRIES FAIR

Britain has long been the world's greatest customer, and has led the way in the export of manufactured products. By initiative in modern research, and from experience of commerce with other nations, her industrial production has become greater and more varied than ever in history.

Renowned for the quality of her work, Britain has applied new technique to her famous industries. By enterprise in fresh markets she has achieved record deliveries, and export production still expands. To keep in touch with these developments great numbers of the world's principal buyers are making visits to Britain.

Every year, from over 100 countries, trade buyers gather at the British Industries Fair. The Chamber of Commerce in Birmingham, and manufacturers from every part of Britain, join with the Government of the United Kingdom to welcome them.

At BIF 1949, from 2-13 May, three thousand exhibitors will display the latest developments in thirty groups of allied trades. The leading men of international commerce are invited to attend the world's greatest assembly of national products.

2-13 MAY 1949

TRADE BUYERS—PLAN YOUR VISIT NOW

Information about exhibitors, special displays and facilities at the Fair can be obtained from the United Kingdom Trade Commissioner at Ottawa, Montreal, Toronto, Vancouver or Winnipeg; or from the Imperial Trade Correspondent at St. John's or Halifax.

BUSINESS IS MOVING TO BRITISH COLUMBIA

B·C· is like California only Bigger*

Like California, B.C. is Canada's land of plenty. Population is up nearly 30% since 1939. People come for the winter and won't go home. The standard of living is Canada's highest, too. Friendly, evergreen climate, vast raw material resources, ample hydro-electric power on Pacific tidewater offer limitless industrial opportunities.

For SPECIFIC INFORMATION write

B·C·ELECTRIC

INDUSTRIAL DEVELOPMENT DEPARTMENT– VANCOUVER

*rea: 359,279 square miles.

FREE OUR NEW GARDEN GUIDE

Just chock full of all sorts of gardening hints
Full list of 1949 seed novelties
WRITE TODAY
Webb's SEEDS
Dept. S1
145 KING ST. EAST
TORONTO, ONT.

NAUSEA caused by sudden changes when flying, relieved with MOTHERSILL'S AIRSICK REMEDY

....Helps to control organs of balance. Quiets the nerves.

THE WORLD OVER

THE OTHER PAGE

A Tribute to Anna Buchan

By C. S. BAILIWICK

CANADA is a long way from the little Scottish town of Peebles, but even in the limited group of business people — not all Scots — whom I see daily there are at least half-a-dozen to whom the cabled news of the death of Anna Buchan on November 24 of last year brought a real sense of personal loss — something much deeper than the regret with which one hears of the death of a public figure however eminent with whom one has had no personal contacts.

Whenever a truly noble spirit goes "into that very rich company" one must agree with Priestley that it is not for the dead we mourn but for ourselves. And the world seemed suddenly a colder and greyer place for Anna Buchan's going. Nor is this difficult to understand, for her novels have the quality of dissolving all barriers between author and reader. One seems less to be reading a story than to be admitted into a friendly circle of pleasant, unaffected people, with whom to spend a few relaxing hours. Dedicating her last (and best) book "to my gentle readers," Anna Buchan wrote: "My brother John used to say that when he wrote stories he invented, but that I in my books was always remembering."

To Scottish people in distant lands as well as at home her novels brought a breath of their early remembrance, and to those who had never known a Scottish hearth she brought the warmth of all that was good and true there. If the simple events, the plain and kindly folk that she recalls, seem remote from our jangled world, they are nonetheless true to themselves and to their environment. If they do not also come closer to humanity-at-large than a great deal of today's sophisticated fiction with its snake-pit neuroses and underworld mentalities, then the world is in a sorrier state than I think. "Sincerity," wrote T. E. Lawrence, "is the only written thing which time improves," and a host of readers may still draw comfort and courage from Anna Buchan long after more spectacular best-sellers are forgotten.

No less a person than Dean Inge has ranked Anna Buchan's brilliant autobiography, "Unforgettable, Unforgotten," among the finest in our language. Her greatness as a person, however, must always throw her writing in the shade. Like Thomas Hardy she possessed a true humility. She herself was diffident about her talent, using the pen name of O. Douglas lest her "mild, domestic fiction" should detract from her brother's fame. The instantaneous success of her novels never failed to surprise her, and her public was persistent, making it necessary to reprint them again and again. A stream of fan letters began to pour in from all over the world, and she faithfully answered each personally. I find most significant her observation that although a best-selling author told her that his correspondents invariably were asking *for* something, hers "seemed anxious to bestow things on me."

Perhaps some brief reference to a personal correspondence might be permitted because it typifies Anna Buchan's unfailing consideration and thoughtfulness. In 1946 I had mailed her, without explanation, a small box of candy. Her reply was much more than formal acknowledgment, conveying even in a few lines that special quality of warmth and friendliness which distinguishes her books. Some two months later, shortly before Christmas, I was surprised to receive from Peebles one of her own books inscribed "To wish you well—Anna Buchan (O. Douglas)". Only then did I write to tell her that it had been my good fortune in the fall of 1943, with other Canadian soldiers, to be entertained at Elsfield by her most gracious sister-in-law, Lady Tweedsmuir.

She wrote back about the many young men from Canada who had stayed with them at Peebles during the war. In another letter she wrote: "Our poor country is in rather a dreadful mess. The Dominions have been so magnificent all through: it has been almost the one cheering thing in a black time."

She mentioned the unusually fine summer and the drought ruining the potato crop. She frequently referred, with affectionate pride, to her nephews (two of whom served notably with the Canadian Army overseas). She "wondered if I would care to have a copy" of a new edition of "Penny Plain" (the thirty-ninth) which her publishers had brought out for Christmas. She mailed me a copy of "John Buchan by His Wife and Friends" as soon as it was published, and she enclosed a splendid snapshot of herself chatting to the King, suggesting that I should throw it away if she had happened to have sent me a copy already.

Last spring I wrote that a Canadian friend was planning to visit Scotland and wondered if she might call to see Anna Buchan. She replied promptly that she hoped my friend could stay several days with them, to be shown the Border country. But she was taken ill and underwent a serious operation. I received a note from her in July, in a hand so shaky that I was completely humbled by her effort. It said how sorry she was to have missed my friend, for whom she enclosed a delightful book about Peebleshire inscribed "to remind you of Tweedside." Her note ended typically: "We are all so happy about Johnny's engagement."

There are no words to describe her fineness and unselfishness. She was widely loved because she gave herself so abundantly. I can only close with her own words from "Unforgettable, Unforgotten," concerning the foundation of her life. "Our parents gave us the richest gift young people can have, the feeling of being loved and treasured beyond words, and they made it plain to us that they cared far more that we should be good—just simple, happy good—than that we should attain to riches and honor."

TIME MARCHES ON

TIME marches on, descent is quick,
From highest peak to lowly base.
From confidence, humility
Is often just a breathing-space.
So we compute our darlings' growth
Not with the faithful yardstick, but—
From pigtails pert to permanents;
From rubber toys to rugby balls;
From Mom and Pop know everything
Till parents' ignorance appals.

DORIS CHARLESWORTH SMITH

EATON'S
The Belted Coat...
bursts into new fashion prominence in smooth-grained gabardine, with petal-curved collar, push-up sleeves and a budding of buttons for trim! Picked from a bumper crop of spring coats at EATON'S

THE BUSINESS FRONT

P. M. Richards, Financial Editor — SATURDAY NIGHT, TORONTO, CANADA, FEBRUARY 15, 1949 — *Rodney Grey, Asst. Financial Editor*

Cry For Lower Taxes Ignores Need To Keep Our Present Surplus

By RODNEY GREY

The Speech From The Throne hinted at lower federal taxes in the next budget. Many M.P.'s, even some in the Liberal Party, are pressing the government in Ottawa to lower taxes. This demand ignores the real need to keep a surplus in our present economic condition.

There seems to be some special magic about the twelve-month period, for we demand that in that period the government should balance its revenue with its expenditure. There are several reasons why the total burden of taxation should not be reduced. They are set out below.

THE PRESENT CLAMOR to reduce the burden of federal taxation by many Members of Parliament, including supporters of Mr. St. Laurent's government, and by many members of the public emphasizes the fact that a tax surplus is hard to justify politically. Recent government financial policy is as yet little appreciated outside government circles. Voters and income-spenders still favor a balanced budget.

Cyclical budgetting and building a surplus in the present inflation are, in the words of Dr. W. A. Mackintosh, of Queen's University, speaking to the Canadian Tax Foundation recently, "plain common sense". Why there should be any intrinsic merit or special magic in the equalizing of revenue and expenditure during a 12-month period is one of the mysteries of popular thinking on this problem. That there should be an eventual balance, over a longer period of time, more suited than is the 12-month period to the realities of national finance, is open to little argument. The reasons that at present the burden of taxation should not be reduced are formidable. They can be summed up briefly.

The first, the most widely supported and obvious reason, is that the national government does need the money. Governments, like businesses, need to put money away for a rainy day. Unlike business, their financial commitments are likely to increase in times of business adversity. With a lowering of the level of business activity, the statutory commitments of the federal government will automatically produce an increase in expenditure. Those increases are, by and large, demanded by the voting public.

It is only sound business sense to allow the government to build up a surplus against those anticipated expenditures. It is particularly desirable that the government should accumulate a surplus now, because present buoyant revenues will inevitably decline with a slackening of business activity.

A second major reason is that the federal surplus is the one major deflationary force in our economy. While the deflationary effects of a tax are by no means an adequate justification for its imposition, at present those effects are important and desirable. At present, because, though there is much talk of recession, the gradual slackening off of some prices and some investment activity and a reappearance of a buyers' market in some commodities hardly constitute a depression, or the beginning of a depression.

It seems that we have got so used to such a high level of business activity that a return to a more normal level is greeted with alarm. A buyers' market is surely the most normal condition of business; the emergence of it now should hardly cause dismay, though it should produce a healthy competitive spirit.

Want Taxes Cut

The opinion pollsters declare that 70 per cent of the Canadian public demand a reduction of taxes—that is a commentary on the fact that most Canadians fail to grasp the central phenomenon of inflation. While it is no longer true to say that the only limits to buying are the physical volume of goods available, it remains correct to say that any substantial increase in the volume of purchasing power would mean a general rise in prices.

The essential piece of logic is that while an increase in money to one person leaves him in a better position to buy goods at current prices, and better off vis-à-vis the rest of the community, a general reduction of the tax burden (such as would be achieved by a reduction of the income tax rates) would leave us all no better off. We would all have more money and all of us would bid up prices to a new level that would equate current supply and consumer demand.

The time may come, of course, when a reduction in the level of taxes is necessary and very desirable in order to stimulate consumption and investment so as to maintain a high level of business and a high and stable volume of employment, but that time is certainly not now.

And there are two very important reasons, bound up in allied phases of federal policy in other spheres, that support retention of present taxes. They are, first, the need to provide for an increase in defence expenditures, and second, the continuing need to support by federal loans our overseas friends and our overseas markets.

A general improvement in the international situation has been claimed by some commentators, but surely if there is any discernible improvement it may in part be due to the willingness of the North Atlantic nations to make arms and build defence forces. Now is hardly a time to reduce a national surplus; we need money set aside to provide for any desired increase in defence expenditures. A reduction in taxes coupled with presently planned defence spending could reduce our present high surplus to virtually zero during the next fiscal year.

Our eventual economic salvation as well as our present foreign policy depend on the strengthening of our overseas markets. While U.S. dollar reserves are a limiting factor to foreign loans and grants, the necessity of some sort of Canadian aid to Europe and our other overseas markets is growing.

It is becoming increasingly clear that the American aid program—the European Recovery Plan — coupled with the best efforts of the European nations represented in the Organization for European Economic Cooperation—may not enable Europe and the sterling area to stand on their own feet in 1952. In 1952, presumably, American large-scale aid will end. If it is deemed desirable to do more than we are now doing to support our overseas markets and perhaps to arm them, then now is no time to reduce the federal government's revenue.

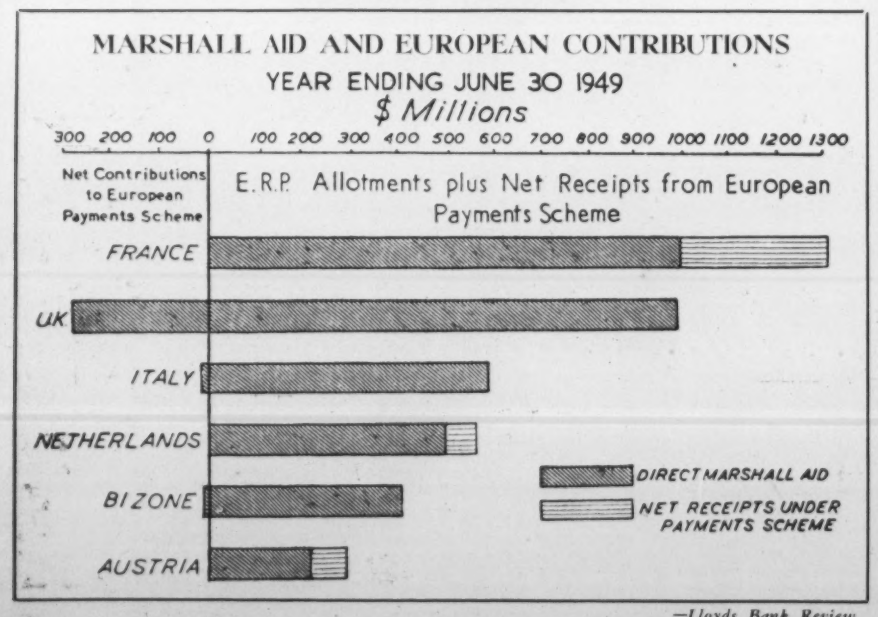
Big Government

For better or for worse, we are in an era of big government, when a change in the level of taxation and of spending is likely to have quite important effects on other businesses. If we ask governments to reduce taxes now, we will have little choice but to let them increase tax rates in a depression. They would have to keep up adequate revenue to pay for the services we have already demanded. It seems to be a choice between high taxes now, when most of us can pay them, or high taxes sometime in the future when we may all be much less able to pay.

The reasons outlined above suggest that there can be little question of the economic wisdom of keeping taxes high now and building up a substantial surplus. The real difficulty is not one of determining the correct economic policy, but of making it stick. The rather vague allusion in the Speech From The Throne to a possible reduction in taxes is an indication that the surplus budget is an invitation to political martyrdom. Mr. Abbott has been applauded for his courage, but apparently discretion is now to be the better part of valor.

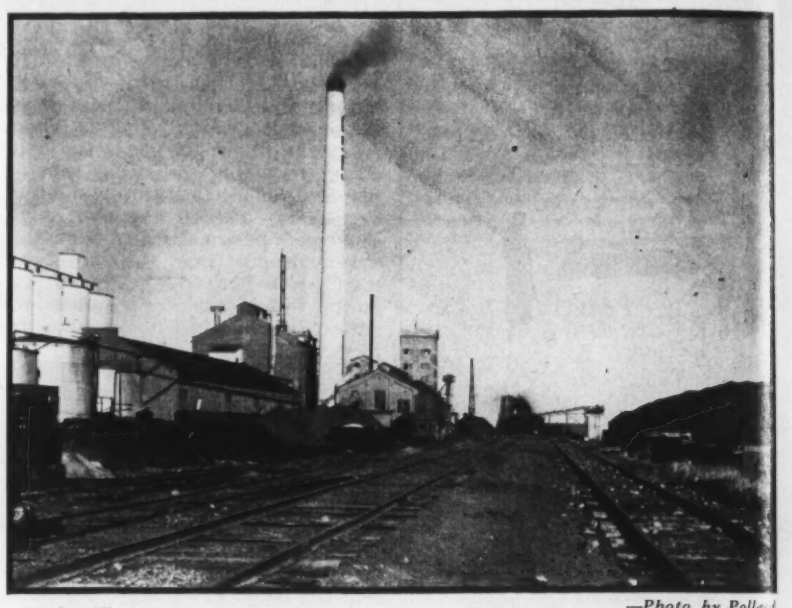
What confuses the issue is that there are inequalities in the present tax structure. They are the inequalities likely to appear in any federal system in which ten major governments tax. There are claims that some of our taxes bear too heavily upon low income groups, that they are "regressive". (There is as yet little concrete evidence produced to back up these claims.) It is perhaps inevitable in a democracy that a surplus should be the object of much resentment. However, a continued demand for a lowering of taxation, in our present economic circumstances, may do a great deal of harm.

SELF-HELP SCHEME


MARSHALL AID AND EUROPEAN CONTRIBUTIONS
YEAR ENDING JUNE 30 1949
$ Millions
300 200 100 0 100 200 300 400 500 600 700 800 900 1000 1100 1200 1300
Net Contributions to European Payments Scheme
E.R.P. Allotments plus Net Receipts from European Payments Scheme
FRANCE
UK
ITALY
NETHERLANDS
BIZONE
AUSTRIA
DIRECT MARSHALL AID
NET RECEIPTS UNDER PAYMENTS SCHEME

—*Lloyds Bank Review*

Playing an integral part in E.R.P. is the European Payments Scheme, in which each nation helps by financing its exports to the other European nations.



—*Photo by Pollard*

BEET SUGAR: The growing of sugar beets is an important and successful industry in southern Alberta. Photo shows factory for the production of sugar from beets at Raymond, in southern Alberta.

THE BUSINESS ANGLE

Trade and Treason

By P. M. RICHARDS

CANADA has much to be pleased about—plenty of food in a food-short world, a wealth of natural resources with recent new discoveries of iron ore and oil, a greatly-enlarged manufacturing capacity coupled with new knowledge and skills developed by the war, the close friendship of the mighty United States, a position of increasing power and influence in the great British Commonwealth, the league of nations which really works.

With all this, have Canadians any reason for concern? Yes, definitely, said Hugh H. Lawson, a Canadian business leader, last week. In his speech as retiring President of the Toronto Board of Trade, he said tersely that there were two things deep in his mind. One was Canada's present precarious position as an exporter in world markets. The other was the continuing menace of treason, by Communists in Canada.

As to the first, Ottawa had recently published the total of Canada's exports, merchandise and non-monetary gold in 1948. The figure, $3,193,000,000, was impressive. There was in it clear ground for satisfaction that we managed last year to sell Uncle Sam no less than $1,618,000,000 of goods, about half our total exports. He remained our best customer. Indeed, since 1926 we had been his largest single source of supply. So long as Canadians were efficient and so long as Uncle Sam continued to prosper, the largest our export outlets seemed assured.

But what of Canada's other markets abroad? Mr. Lawson said it was time to face the facts. Most of the countries in which Canada used to sell and to which it still desires to sell are now compelled, for lack of foreign exchange, to restrict sharply their intake of Canadian goods. They still take what they do take almost entirely by grace of what we now call E.C.A., more widely known as the Marshall Plan.

If it were not for those U. S. dollars, freely made available to the tune of billions during 1948 by the Marshall planners, our export overseas (including our export of Canadian produce to Britain) would already be crippled. In spite of E.C.A. dollars, Canada's exports to countries outside North America have already declined, from 1947 to 1948, by nearly 10 per cent. It is likely that they will shrink again from to 1948 to 1949.

Canadians should remember, Mr. Lawson said, that the Marshall Plan did not originally contemplate making permanent this generous flood of E.C.A. dollars from the U.S. to Canada's customers overseas. Soon, perhaps less than four years hence, it will cease; or at best, become just a trickle. In Canada, the size of our national income is related so closely to the size of our export business that this year's exports indicate for us—with surprising trustworthiness—what is likely to be the size of next year's national income.

Last year, our exports in one direction, to the United States, were still increasing rapidly. But signs multiply today that the volume of business now being transacted south of the border has begun to diminish.

Furthermore, we must expect that our exports in all other directions are likely to be less in 1949 than they were in 1948. For even in the last several months many of our old customer countries overseas have had to shut down on Canadian goods, for lack of means to pay us. An example is South Africa.

Crucial Year 1951

It was necessary, Mr. Lawson said, that all Canadian businessmen, whether directly connected with export or not, should begin to study the effect on national income next year of a decline in export income this year, affecting about one-third of the working population. The important thing is not the export figure of last year but what the export figure will be in 1951, which will so closely determine the national income figure for 1952, when the Marshall Plan presumably ends.

Mr. Lawson related his second warning to Communism and the arrest of Sam Carr. He said that his hearers might well spend less of their time in broadly denouncing Marx and the global strategy of his followers, and more of their time in gaining understanding of just what those strange members of society are actually up to, day after day, in Toronto. Attempts, in many disguises, are continually being made to confuse the minds of Canadians and bewilder them regarding their loyalties.

Said Mr. Lawson: "There are today many associations and organizations in Toronto with lovely names, which are simply false fronts for Communism. Their surface benevolence bears no relation to their basement activities. Let members study the matter. In doing so, I suggest that we all recall that fine old fairy tale of Red Riding Hood, and the wolf who pretended to be her loving grandmother. For the wolf in that fairy tale just substitute any Toronto Communist. For Red Riding Hood in that fairy tale, make very sure you don't substitute yourself."

Former Enemies Are Threat To U.K. World Trade

By JOHN L. MARSTON
Saturday Night's Financial Correspondent in London

A new factor is appearing in the overseas markets for British goods — in continental Europe and in the Far East. Japan, Germany and Italy are entering their traditional markets; because of low wages they are frequently able to undersell U.K. manufacturers. Mr. Marston outlines the problem; he suggests that the only answer is the normal commercial reply to competition.

London.

THE IMMEDIATE postwar period, full as it was of trials and tribulations for the British economy, was not without its compensations. The world would buy pretty nearly anything at pretty nearly any price, and the limit of exports was solely the limit of production.

It was an almost unparalleled situation, and a new gloss was added to it by the emasculation of Germany and Italy as industrial and trading nations. They had, between the wars, developed as the most powerful competitors of Britain in international markets, and now they seemed to be out for the count.

Their emergence in the latter half of 1948 as bidders for trade which Britain had come to regard as her postwar inviolable preserve is a matter of the first significance. As yet, the scale of their operations is not alarming, but the intensity of their preparations and the force of their determination are. Under American control and tutelage, Japan has already become a sharp thorn in the side of British textile exporters, undercutting them in a number of eastern and colonial markets, while the industrial apparatus for the mass-production of a wide variety of manufactured goods is being devised and brought to completion with remarkable alacrity.

Japan's intervention in the international markets must be controlled by the U.S.A., which holds undisputed sway in all Japanese economic affairs, and may therefore be susceptible of some control by Britain in harmonious collaboration with the U.S.A. Germany is a different matter.

Early last year—indeed, as early as 1947—German production was finding markets in Europe. Particularly in scientific apparatus, German manufacturers, though their export prices were controlled by the Occupying Authorities, were able to undersell British instruments and tools in a number of continental markets, notably in Scandinavia. Then the scale of German enterprise broadened, until now there is an outcry among British car manufacturers about the success of the Volkswagen, the German "People's Car", in European markets ranging from so hard a currency area as Switzerland to such old friends of Britain as Denmark and Holland.

Cars and industrial and scientific apparatus are not the whole story. An internationally-circulated catalogue from Germany offers textiles, jewellery, fancy goods, household equipment, china, cosmetics, precision instruments, watches, toys, leather goods, furniture and many other lines. Deliveries are expected to be prompt and prices competitive.

Traditional Abilities

In the autumn of 1948 export trade was returned to the control of the Germans themselves, though Allied supervision continued. Before that, a considerable freedom within industry had been restored. It would have been strange if Germany had not exercised her traditional abilities in manufacture and trade to rebuild her traditional markets. The curious thing is that no-one seems to have expected it, or that, expecting it, no-one thought the Germans could make much headway.

Even now, the President of the British Board of Trade sees no cause for alarm. He has instituted certain enquiries to see whether in the old days (of a few months ago, when the Control Authorities were in sole charge of German exports) some mistakes were made which allowed the Germans to undercut in export markets. Beyond this academic piece of research he will not go, for he considers that the revaluation of the mark last autumn will tie German exporters' hands reasonably effectively.

He is alone in this belief. The People's Car has been selling at a little over $1,000 on contracts signed before the mark revaluation. Even a 50 per cent increase in export quotations would hit Britain's continental small car market.

The same is true of most of the other main lines of the German export drive. For even on a currency alignment in tune with the purchasing-power-parity dogma German industrialists would still have some powerful advantages. In the precision and scientific instrument industry, for instance, the German worker receives less than half the equivalent wage paid for all classes of labor in the British industry. So low a level of wage rates is made possible by the nature of the controls and supports introduced into the Reich by the Allied Powers. As one of them, Britain is in effect virtually subsidizing competition with her own exporters, upon whose success her solvency primarily and immediately depends.

The question is: What should be done about it? On the face of it, it is obviously bad and inequitable that in the process of restoring the economy of her late enemy Britain should assist a threat to herself. But there is another side. Britain is in any case committed to a course of action in Germany which is expensive to her, and therefore anything which the Germans can earn for themselves diminishes the strain on Britain.

The essential point is whether it would be better to continue to allocate resources to Germany which could be profitably employed at home or to allow the Germans completely free rein, to earn their own living even at the cost of cutting into Britain's revenue from exports.

Finally, however, the problem solves itself. For whatever attitude Britain adopts or whatever action she takes, there is no possibility of restraining for ever what for the last century has been the most dynamic industrial force in continental Europe. If something is done now about the German export challenge it will only appear again later on.

Britain will therefore be wise to accept the fact that Germany is a powerful competitor in some markets and for some things and will become one in still other markets for other things, and to react to the implications in a commercial way. What must be made quite certain is that Germany enjoys no unfair advantages, by way of hidden subsidies, or of underpayment of workers, or of currency manipulation. Britain will not expect to increase her exports except by beating competition, but she must ensure that the competition she meets is fair. And this holds true not only of German Volkswagen, tools and instruments, toys and cosmetics, but also of Japanese textiles.

CHANGE YOUR
War Savings Certificates INTO
Canada Savings Bonds

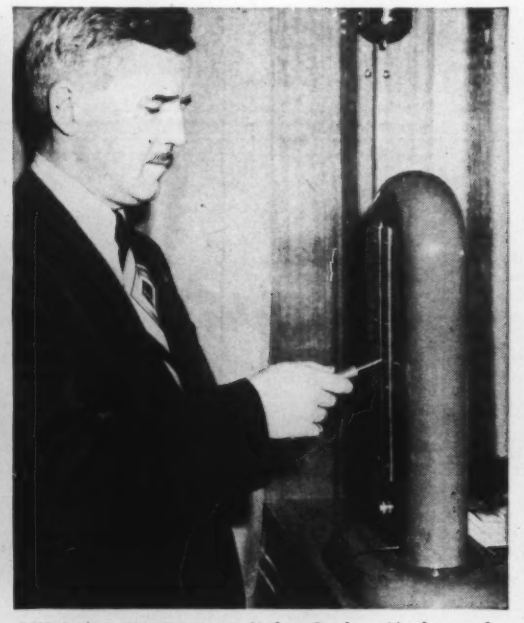
Your War Savings Certificates are a nest-egg you took pains to save up. Why not keep that nest-egg?

Instead of mailing your maturing Certificates month by month to Ottawa, bring them to your nearest B of M branch. For a small service charge we'll arrange for their redemption—and, if you wish, we'll credit their full face value toward a Canada Savings Bond in your name.

Don't let those war-time savings slip through your fingers. Bring in your Certificates to the B of M—we'll do the rest.

"MY BANK" TO A MILLION CANADIANS
B of M
BANK OF MONTREAL
AD89
WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

THIRTY FEET OR FIFTY FEET? *This girl's foot reaction is being timed. Stopping her car in a hurry can mean the difference between a bad scare and a bad accident. A light on this machine flashes — and a stop watch records her speed in applying the brakes.*


STEADY THERE! *A light flashes if the stylus held in the driver's hand touches either side of the groove. This test measures steadiness . . . the ability to hold a car on a narrow path.*

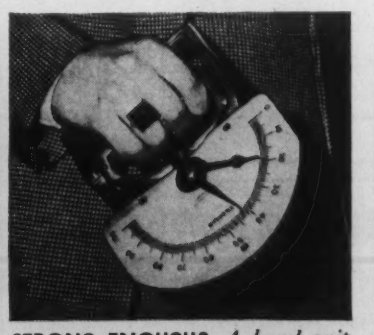
WHEN SECONDS COUNT MOST!

A second's lag in reaction time may make the difference between a safe stop and damage or injury. And that difference constitutes careful, safer driving. When drivers by means of tests, learn how long it takes them to stop they're potentially more careful drivers . . . it's a fact that 'forewarned is forearmed'!

That is the thought behind the operation of the mobile driver testing unit designed by John Labatt Limited—part of a campaign, planned in the interests of public safety, to reduce the toll of accidents.

A noted Canadian safety authority says: "A vitally important part of an effective traffic safety programme—is education. The equipment and personnel that have been provided have enabled us to make a very useful beginning. Courses for high school students are now under way in several Canadian schools."

SHE'S LOOKING THREE WAYS *at once—It's vital to be able to see vehicles approaching from each side.*


STRONG ENOUGH? *A hand grip of at least 50 pounds is considered necessary for safe driving.*

HOW DO YOU RATE AS A DRIVER?

Motor vehicle records show that more accidents are caused by drivers than by road conditions and mechanical trouble. How safe a driver are you? Try this quiz...

1. *How many feet per second does a car travel at 30 miles an hour?*
   (a) 36.7 feet
   (b) 44.0 feet
   (c) 51.3 feet
2. *How long does the average driver take to apply his brakes?*
   (a) 1/10 second
   (b) 1/2 second
   (c) 3/4 second
3. *What distance is covered in bringing an average car travelling at 50 miles per hour to a complete stop?*
   (a) 100.5 feet
   (b) 164.0 feet
   (c) 242.5 feet

ANSWERS: (3-c) (2-c) (1-b)

Labatt's
BREWERS SINCE 1832

PUBLISHED BY THE PIONEERS OF DRIVER TRAINING IN CANADA, JOHN LABATT LIMITED

THE BUSINESS FRONT

P. M. Richards, Financial Editor SATURDAY NIGHT, TORONTO, CANADA, FEBRUARY 15, 1949 *Rodney Grey, Asst. Financial Editor*

Cry For Lower Taxes Ignores Need To Keep Our Present Surplus

By RODNEY GREY

The Speech From The Throne hinted at lower federal taxes in the next budget. Many M.P.'s, even some in the Liberal Party, are pressing the government in Ottawa to lower taxes. This demand ignores the real need to keep a surplus in our present economic condition.

There seems to be some special magic about the twelve-month period, for we demand that in that period the government should balance its revenue with its expenditure. There are several reasons why the total burden of taxation should not be reduced. They are set out below.

THE PRESENT CLAMOR to reduce the burden of federal taxation by many Members of Parliament, including supporters of Mr. St. Laurent's government, and by many members of the public emphasizes the fact that a tax surplus is hard to justify politically. Recent government financial policy is as yet little appreciated outside government circles. Voters and income-spenders still favor a balanced budget.

Cyclical budgetting and building a surplus in the present inflation are, in the words of Dr. W. A. Mackintosh, of Queen's University, speaking to the Canadian Tax Foundation recently, "plain common sense". Why there should be any intrinsic merit or special magic in the equalizing of revenue and expenditure during a 12-month period is one of the mysteries of popular thinking on this problem. That there should be an eventual balance, over a longer period of time, more suited than is the 12-month period to the realities of national finance, is open to little argument. The reasons that at present the burden of taxation should not be reduced are formidable. They can be summed up briefly.

The first, the most widely supported and obvious reason, is that the national government does need the money. Governments, like businesses, need to put money away for a rainy day. Unlike business, their financial commitments are likely to increase in times of business adversity. With a lowering of the level of business activity, the statutory commitments of the federal government will automatically produce an increase in expenditure. Those increases are, by and large, demanded by the voting public.

It is only sound business sense to allow the government to build up a surplus against those anticipated expenditures. It is particularly desirable that the government should accumulate a surplus now, because present buoyant revenues will inevitably decline with a slackening of business activity.

A second major reason is that the federal surplus is the one major deflationary force in our economy. While the deflationary effects of a tax are by no means an adequate justification for its imposition, at present those effects are important and desirable. At present, because, though there is much talk of recession, the gradual slackening off of some prices and some investment activity and a reappearance of a buyers' market in some commodities hardly constitute a depression, or the beginning of a depression.

It seems that we have got so used to such a high level of business activity that a return to a more normal level is greeted with alarm. A buyers' market is surely the most normal condition of business; the emergence of it now should hardly cause dismay, though it should produce a healthy competitive spirit.

Want Taxes Cut

The opinion pollsters declare that 70 per cent of the Canadian public demand a reduction of taxes—that is a commentary on the fact that most Canadians fail to grasp the central phenomenon of inflation. While it is no longer true to say that the only limits to buying are the physical volume of goods available, it remains correct to say that any substantial increase in the volume of purchasing power would mean a general rise in prices.

The essential piece of logic is that while an increase in money to one person leaves him in a better position to buy goods at current prices, and better off vis-à-vis the rest of the community, a general reduction of the tax burden (such as would be achieved by a reduction of the income tax rates) would leave us all no better off. We would all have more money and all of us would bid up prices to a new level that would equate current supply and consumer demand.

The time may come, of course, when a reduction in the level of taxes is necessary and very desirable in order to stimulate consumption and investment so as to maintain a high level of business and a high and stable volume of employment, but that time is certainly not now.

And there are two very important reasons, bound up in allied phases of federal policy in other spheres, that support retention of present taxes. They are, first, the need to provide for an increase in defence expenditures, and second, the continuing need to support by federal loans our overseas friends and our overseas markets.

A general improvement in the international situation has been claimed by some commentators, but surely if there is any discernible improvement it may in part be due to the willingness of the North Atlantic nations to make arms and build defence forces. Now is hardly a time to reduce a national surplus; we need money set aside to provide for any desired increase in defence expenditures. A reduction in taxes coupled with presently planned defence spending could reduce our present high surplus to virtually zero during the next fiscal year.

Our eventual economic salvation as well as our present foreign policy depend on the strengthening of our overseas markets. While U.S. dollar reserves are a limiting factor to foreign loans and grants, the necessity of some sort of Canadian aid to Europe and our other overseas markets is growing.

It is becoming increasingly clear that the American aid program—the European Recovery Plan — coupled with the best efforts of the European nations represented in the Organization for European Economic Cooperation—may not enable Europe and the sterling area to stand on their own feet in 1952. In 1952, presumably, American large-scale aid will end. If it is deemed desirable to do more than we are now doing to support our overseas markets and perhaps to arm them, then now is no time to reduce the federal government's revenue.

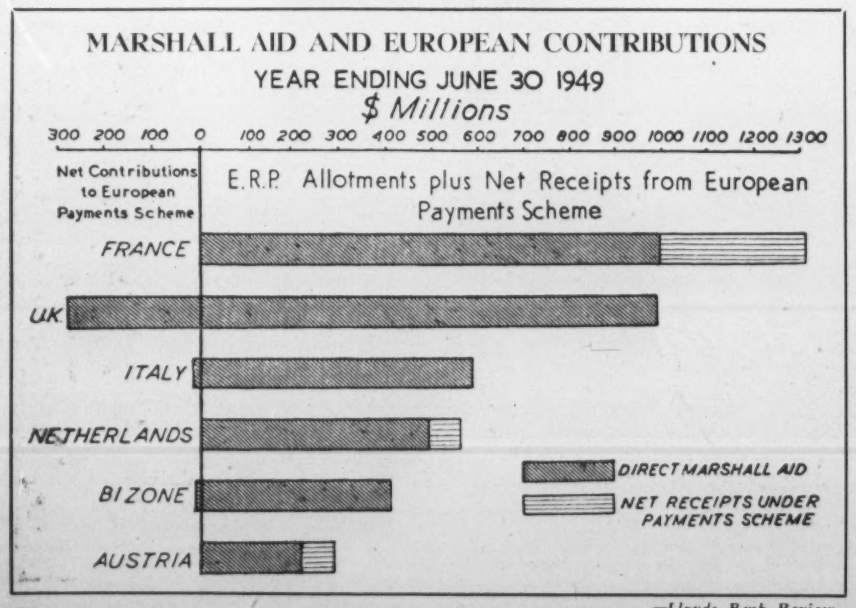
Big Government

For better or for worse, we are in an era of big government, when a change in the level of taxation and of spending is likely to have quite important effects on other businesses. If we ask governments to reduce taxes now, we will have little choice but to let them increase tax rates in a depression. They would have to keep up adequate revenue to pay for the services we have already demanded. It seems to be a choice between high taxes now, when most of us can pay them, or high taxes sometime in the future when we may all be much less able to pay.

The reasons outlined above suggest that there can be little question of the economic wisdom of keeping taxes high now and building up a substantial surplus. The real difficulty is not one of determining the correct economic policy, but of making it stick. The rather vague allusion in the Speech From The Throne to a possible reduction in taxes is an indication that the surplus budget is an invitation to political martyrdom. Mr. Abbott has been applauded for his courage, but apparently discretion is now to be the better part of valor.

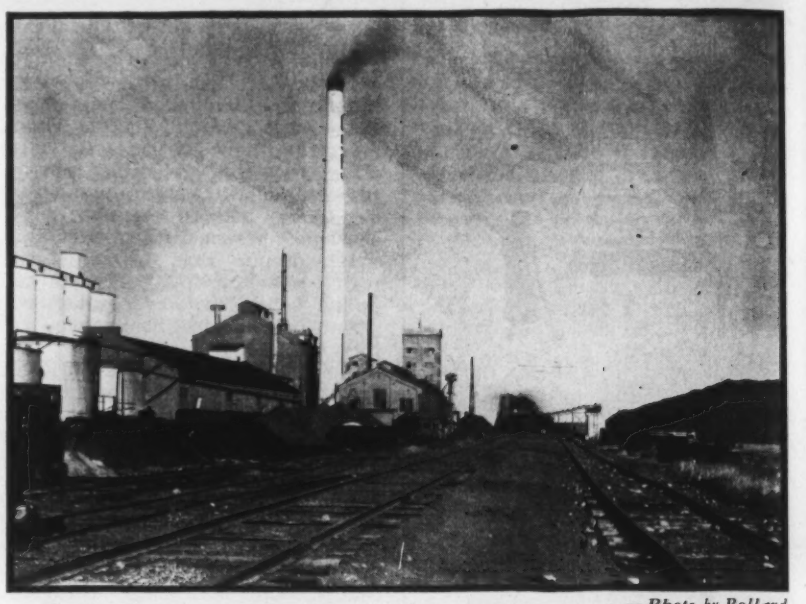
What confuses the issue is that there are inequalities in the present tax structure. They are the inequalities likely to appear in any federal system in which ten major governments tax. There are claims that some of our taxes bear too heavily upon low income groups, that they are "regressive". (There is as yet little concrete evidence produced to back up these claims.) It is perhaps inevitable in a democracy that a surplus should be the object of much resentment. However, a continued demand for a lowering of taxation, in our present economic circumstances, may do a great deal of harm.

SELF-HELP SCHEME


MARSHALL AID AND EUROPEAN CONTRIBUTIONS
YEAR ENDING JUNE 30 1949
$ Millions
300 200 100 0 100 200 300 400 500 600 700 800 900 1000 1100 1200 1300
Net Contributions to European Payments Scheme
E.R.P. Allotments plus Net Receipts from European Payments Scheme
FRANCE
UK
ITALY
NETHERLANDS
BIZONE
AUSTRIA
DIRECT MARSHALL AID
NET RECEIPTS UNDER PAYMENTS SCHEME

—*Lloyds Bank Review*

Playing an integral part in E.R.P. is the European Payments Scheme, in which each nation helps by financing its exports to the other European nations.



—*Photo by Pollard*

BEET SUGAR: The growing of sugar beets is an important and successful industry in southern Alberta. Photo shows factory for the production of sugar from beets at Raymond, in southern Alberta.

THE BUSINESS ANGLE

Trade and Treason

By P. M. RICHARDS

CANADA has much to be pleased about—plenty of food in a food-short world, a wealth of natural resources with recent new discoveries of iron ore and oil, a greatly-enlarged manufacturing capacity coupled with new knowledge and skills developed by the war, the close friendship of the mighty United States, a position of increasing power and influence in the great British Commonwealth, the league of nations which really works.

With all this, have Canadians any reason for concern? Yes, definitely, said Hugh H. Lawson, a Canadian business leader, last week. In his speech as retiring President of the Toronto Board of Trade, he said tersely that there were two things deep in his mind. One was Canada's present precarious position as an exporter in world markets. The other was the continuing menace of treason, by Communists in Canada.

As to the first, Ottawa had recently published the total of Canada's exports, merchandise and non-monetary gold in 1948. The figure, $3,193,000,000, was impressive. There was in it clear ground for satisfaction that we managed last year to sell Uncle Sam no less than $1,618,000,000 of goods, about half our total exports. He remained our best customer. Indeed, since 1926 we had been his largest single source of supply. So long as Canadians were efficient and so long as Uncle Sam continued to prosper, the largest our export outlets seemed assured.

But what of Canada's other markets abroad? Mr. Lawson said it was time to face the facts. Most of the countries in which Canada used to sell and to which it still desires to sell are now compelled, for lack of foreign exchange, to restrict sharply their intake of Canadian goods. They still take what they do take almost entirely by grace of what we now call E.C.A., more widely known as the Marshall Plan.

If it were not for those U. S. dollars, freely made available to the tune of billions during 1948 by the Marshall planners, our export overseas (including our export of Canadian produce to Britain) would already be crippled. In spite of E.C.A. dollars, Canada's exports to countries outside North America have already declined, from 1947 to 1948, by nearly 10 per cent. It is likely that they will shrink again from to 1948 to 1949.

Canadians should remember, Mr. Lawson said, that the Marshall Plan did not originally contemplate making permanent this generous flood of E.C.A. dollars from the U.S. to Canada's customers overseas. Soon, perhaps less than four years hence, it will cease; or at best, become just a trickle. In Canada, the size of our national income is related so closely to the size of our export business that this year's exports indicate for us—with surprising trustworthiness—what is likely to be the size of next year's national income.

Last year, our exports in one direction, to the United States, were still increasing rapidly. But signs multiply today that the volume of business now being transacted south of the border has begun to diminish.

Furthermore, we must expect that our exports in all other directions are likely to be less in 1949 than they were in 1948. For even in the last several months many of our old customer countries overseas have had to shut down on Canadian goods, for lack of means to pay us. An example is South Africa.

Crucial Year 1951

It was necessary, Mr. Lawson said, that all Canadian businessmen, whether directly connected with export or not, should begin to study the effect on national income next year of a decline in export income this year, affecting about one-third of the working population. The important thing is not the export figure of last year but what the export figure will be in 1951, which will so closely determine the national income figure for 1952, when the Marshall Plan presumably ends.

Mr. Lawson related his second warning to Communism and the arrest of Sam Carr. He said that his hearers might well spend less of their time in broadly denouncing Marx and the global strategy of his followers, and more of their time in gaining understanding of just what those strange members of society are actually up to, day after day, in Toronto. Attempts, in many disguises, are continually being made to confuse the minds of Canadians and bewilder them regarding their loyalties.

Said Mr. Lawson: "There are today many associations and organizations in Toronto with lovely names, which are simply false fronts for Communism. Their surface benevolence bears no relation to their basement activities. Let members study the matter. In doing so, I suggest that we all recall that fine old fairy tale of Red Riding Hood, and the wolf who pretended to be her loving grandmother. For the wolf in that fairy tale just substitute any Toronto Communist. For Red Riding Hood in that fairy tale, make very sure you don't substitute yourself."

Former Enemies Are Threat To U.K. World Trade

By JOHN L. MARSTON
Saturday Night's Financial Correspondent in London

A new factor is appearing in the overseas markets for British goods — in continental Europe and in the Far East. Japan, Germany and Italy are entering their traditional markets; because of low wages they are frequently able to undersell U.K. manufacturers. Mr. Marston outlines the problem; he suggests that the only answer is the normal commercial reply to competition.

London.

THE IMMEDIATE postwar period, full as it was of trials and tribulations for the British economy, was not without its compensations. The world would buy pretty nearly anything at pretty nearly any price, and the limit of exports was solely the limit of production.

It was an almost unparalleled situation, and a new gloss was added to it by the emasculation of Germany and Italy as industrial and trading nations. They had, between the wars, developed as the most powerful competitors of Britain in international markets, and now they seemed to be out for the count.

Their emergence in the latter half of 1948 as bidders for trade which Britain had come to regard as her postwar inviolable preserve is a matter of the first significance. As yet, the scale of their operations is not alarming, but the intensity of their preparations and the force of their determination are. Under American control and tutelage, Japan has already become a sharp thorn in the side of British textile exporters, undercutting them in a number of eastern and colonial markets, while the industrial apparatus for the mass-production of a wide variety of manufactured goods is being devised and brought to completion with remarkable alacrity.

Japan's intervention in the international markets must be controlled by the U.S.A., which holds undisputed sway in all Japanese economic affairs, and may therefore be susceptible of some control by Britain in harmonious collaboration with the U.S.A. Germany is a different matter.

Early last year—indeed, as early as 1947—German production was finding markets in Europe. Particularly in scientific apparatus, German manufacturers, though their export prices were controlled by the Occupying Authorities, were able to undersell British instruments and tools in a number of continental markets, notably in Scandinavia. Then the scale of German enterprise broadened, until now there is an outcry among British car manufacturers about the success of the Volkswagen, the German "People's Car", in European markets ranging from so hard a currency area as Switzerland to such old friends of Britain as Denmark and Holland.

Cars and industrial and scientific apparatus are not the whole story. An internationally-circulated catalogue from Germany offers textiles, jewellery, fancy goods, household equipment, china, cosmetics, precision instruments, watches, toys, leather goods, furniture and many other lines. Deliveries are expected to be prompt and prices competitive.

Traditional Abilities

In the autumn of 1948 export trade was returned to the control of the Germans themselves, though Allied supervision continued. Before that, a considerable freedom within industry had been restored. It would have been strange if Germany had not exercised her traditional abilities in manufacture and trade to rebuild her traditional markets. The curious thing is that no-one seems to have expected it, or that, expecting it, no-one thought the Germans could make much headway.

Even now, the President of the British Board of Trade sees no cause for alarm. He has instituted certain enquiries to see whether in the old days (of a few months ago, when the Control Authorities were in sole charge of German exports) some mistakes were made which allowed the Germans to undercut in export markets. Beyond this academic piece of research he will not go, for he considers that the revaluation of the mark last autumn will tie German exporters' hands reasonably effectively.

He is alone in this belief. The People's Car has been selling at a little over $1,000 on contracts signed before the mark revaluation. Even a 50 per cent increase in export quotations would hit Britain's continental small car market.

The same is true of most of the other main lines of the German export drive. For even on a currency alignment in tune with the purchasing-power-parity dogma German industrialists would still have some powerful advantages. In the precision and scientific instrument industry, for instance, the German worker receives less than half the equivalent wage paid for all classes of labor in the British industry. So low a level of wage rates is made possible by the nature of the controls and supports introduced into the Reich by the Allied Powers. As one of them, Britain is in effect virtually subsidizing competition with her own exporters, upon whose success her solvency primarily and immediately depends.

The question is: What should be done about it? On the face of it, it is obviously bad and inequitable that in the process of restoring the economy of her late enemy Britain should assist a threat to herself. But there is another side. Britain is in any case committed to a course of action in Germany which is expensive to her, and therefore anything which the Germans can earn for themselves diminishes the strain on Britain.

The essential point is whether it would be better to continue to allocate resources to Germany which could be profitably employed at home or to allow the Germans completely free rein, to earn their own living even at the cost of cutting into Britain's revenue from exports.

Finally, however, the problem solves itself. For whatever attitude Britain adopts or whatever action she takes, there is no possibility of restraining for ever what for the last century has been the most dynamic industrial force in continental Europe. If something is done now about the German export challenge it will only appear again later on.

Britain will therefore be wise to accept the fact that Germany is a powerful competitor in some markets and for some things and will become one in still other markets for other things, and to react to the implications in a commercial way. What must be made quite certain is that Germany enjoys no unfair advantages, by way of hidden subsidies, or of underpayment of workers, or of currency manipulation. Britain will not expect to increase her exports except by beating competition, but she must ensure that the competition she meets is fair. And this holds true not only of German Volkswagen, tools and instruments, toys and cosmetics, but also of Japanese textiles.

CHANGE YOUR
War Savings Certificates INTO
Canada Savings Bonds

Your War Savings Certificates are a nest-egg you took pains to save up. Why not keep that nest-egg?

Instead of mailing your maturing Certificates month by month to Ottawa, bring them to your nearest B of M branch. For a small service charge we'll arrange for their redemption—and, if you wish, we'll credit their full face value toward a Canada Savings Bond in your name.

"MY BANK" TO A MILLION CANADIANS B of M

Don't let those war-time savings slip through your fingers. Bring in your Certificates to the B of M—we'll do the rest.

BANK OF MONTREAL

AD89

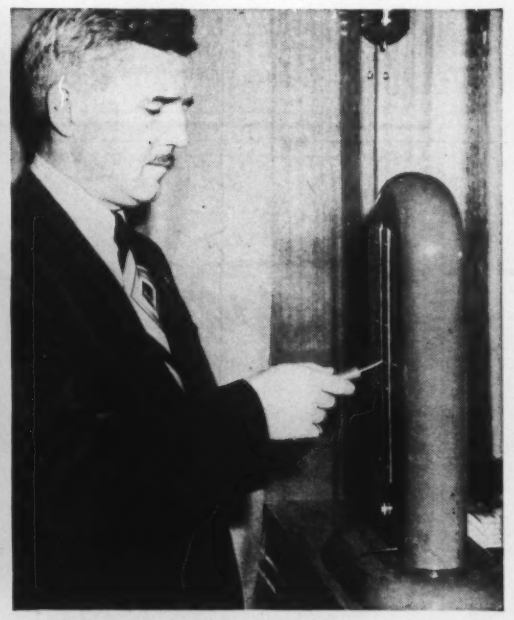
WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

Created by a distinguished English House for men who revel in the pure joy of really fine tobacco

Balkan Sobranie
smoking mixture

London-Fresh in hermetically-sealed tins at all better tobacconists and department stores.

THIRTY FEET OR FIFTY FEET? *This girl's foot reaction is being timed. Stopping her car in a hurry can mean the difference between a bad scare and a bad accident. A light on this machine flashes — and a stop watch records her speed in applying the brakes.*



STEADY THERE! *A light flashes if the stylus held in the driver's hand touches either side of the groove. This test measures steadiness . . . the ability to hold a car on a narrow path.*

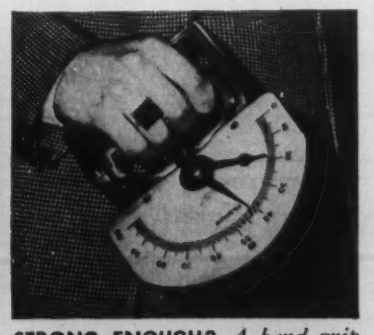
WHEN SECONDS COUNT MOST!

A second's lag in reaction time may make the difference between a safe stop and damage or injury. And that difference constitutes careful, safer driving. When drivers by means of tests, learn how long it takes them to stop they're potentially more careful drivers . . . it's a fact that 'forewarned is forearmed'!

That is the thought behind the operation of the mobile driver testing unit designed by John Labatt Limited—part of a campaign, planned in the interests of public safety, to reduce the toll of accidents.

A noted Canadian safety authority says: "A vitally important part of an effective traffic safety programme—is education. The equipment and personnel that have been provided have enabled us to make a very useful beginning. Courses for high school students are now under way in several Canadian schools."

SHE'S LOOKING THREE WAYS *at once—It's vital to be able to see vehicles approaching from each side.*



STRONG ENOUGH? *A hand grip of at least 50 pounds is considered necessary for safe driving.*

HOW DO YOU RATE AS A DRIVER?

Motor vehicle records show that more accidents are caused by drivers than by road conditions and mechanical trouble. How safe a driver are you? Try this quiz . . .

1. *How many feet per second does a car travel at 30 miles an hour?*
   (a) 36.7 feet
   (b) 44.0 feet
   (c) 51.3 feet
2. *How long does the average driver take to apply his brakes?*
   (a) 1/10 second
   (b) 1/2 second
   (c) 3/4 second
3. *What distance is covered in bringing an average car travelling at 50 miles per hour to a complete stop?*
   (a) 100.5 feet
   (b) 164.0 feet
   (c) 242.5 feet

ANSWERS: (3-c) (2-c) (1-b)

Labatt's BREWERS SINCE 1832

PUBLISHED BY THE PIONEERS OF DRIVER TRAINING IN CANADA, JOHN LABATT LIMITED

Horizons Unlimited . . .

The progress made, the possibilities of the future and the important part the telephone and The Bell Telephone Company of Canada play in our modern business and social life are told in "The Telephone—To-day and To-morrow".

This is a booklet we have just published, telling a story of some of the activities of this great public utility—a company that is owned by nearly thirty-nine thousand investor shareholders. A copy is available upon request.

Bell Telephone shares can now be bought to yield over 5%. We recommend their purchase. Why not call us . . . we will tell you the most advantageous way to buy them . . . either by the purchase of rights or shares.

A. E. Ames & Co.
Limited

Business Established 1889

TORONTO MONTREAL WINNIPEG VANCOUVER VICTORIA
NEW YORK LONDON, ENG.

Towards Greater Security

Greater security for their families and themselves was the choice of the many people who became owners of North American Life policies last year. Their progress towards their financial objectives is represented by their purchases of 16,219 new policies totalling $82,562,272. First to confirm the wisdom of their choice would be those owners and beneficiaries of policies to whom the Company paid $6,578,348 in 1948.

The 68th Annual Report to policyowners shows that the Company is indeed "Solid as the Continent". Features of the report are:

Business in Force	$512,248,468
Increased	$57,893,298
Premiums Received	$ 15,226,389
Increased	$ 2,254,997
Total Assets	$122,082,655
Increased	$ 9,098,593

Liabilities to policyowners and others now amount to $115,998,112 and Special Reserves and Surplus Funds total $6,084,543.

ESTABLISHED 1899 — A MUTUAL COMPANY

NORTH AMERICAN LIFE
HEAD OFFICE, TORONTO, CANADA

Advertising and Publication Printing

★

Saturday Night Press
Ad. 7361

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND No. 116

NOTICE is hereby given that a dividend of Eighteen Cents per share on the issued capital stock of the Company, will be paid on the fifteenth day of March, 1949, to shareholders of record at the close of business on the fifteenth day of February, 1949.

By order of the Board.

Kirkland Securities Limited
Secretary

Dated at Kirkland Lake, Ontario,
February 5th, 1949.

NEWS OF THE MINES

McIntyre Has Big Depth Program With 10 Levels To Be Opened

By JOHN M. GRANT

THE IMMEDIATE AND MAJOR program at McIntyre Porcupine Mines, one of the original gold producers of the Porcupine camp, and one of the area's big three, which in common with all gold mines, had development long delayed by the war, is the opening up of the block of deep levels established from the big No. 12 internal shaft. McIntyre, in continuous production since 1912 with an output valued at over $181,000,000, now has a block of 10 new levels from 5,375 to 6,825 feet—making it the deepest in the camp—to open up, and it is possible some depth information from the first of the new horizons may be available by the end of the company's fiscal year on March 31. Crosscuts will have to be driven about 700 feet to reach the favorable area.

•

While no extensive new ore discoveries have been made recently by McIntyre Porcupine Mines it is believed sufficient new ore has been located in the current fiscal year to replace the tonnage that has been milled. In the previous year they did not develop as much ore as was mined, the tonnage of ore in reserve declining about six per cent. It is hoped now with an enlarged development program the company can begin building up the ore reserves again. The labor shortage was acute till near the close of 1947, and this naturally hampered development, but latterly lack of adequate power has delayed commencement of a large scale program. Operations are being maintained at a scale sufficient to meet dividend requirements, with the mill holding at the rate of 2,200 tons per day on a six-day week, established earlier in 1948.

An increase in income is shown by McIntyre Porcupine Mines for the nine months ending December 31, the first three quarters of the company's fiscal year. Net revenue for the third quarter was equivalent to 77c per share, as against 79c in the second, and 74c in the first quarter, bringing earnings for the nine months to $2.30 per share, as compared with $2.20 in the like period of 1947. Gross income for the nine months was $6,171,000, as against $5,513,296 in the same previous period. Cost, including development, amounted to $3,959,244, while in the like 1947 period they totalled $3,361,429. Net income after depreciation was $1,838,276, as compared with $1,755,824.

•

One of McIntyre Porcupine Mines principal outside interests is the producing Belleterre Quebec Mines, in which it holds 1,200,000 shares, and directors have authorized the deepening of the main No. 1 shaft there from 1,500 to 2,500 feet. It is expected sinking will be underway by spring. The decision to deepen the shaft followed a diamond drilling program from the 1,500-foot horizon to explore the No. 12 vein flow at depth hunting for duplications of the No. 12 vein such as No. 20 vein which commenced at the 1,250-foot level and has been opened down to the 1,500-foot horizon. The drilling was also for the purpose of exploring at depth several flows north of No. 12 vein where the extension of No. 21 vein was expected to be located.

•

New Jason Mines continues to run into remarkably high values in drifting on the 6th level on the No. 1 porphyry vein. As at January 17 the mine manager, L. G. White, reported that in the west drift a length of 194 feet, averaged $64.05 uncut, or $22.75 cut grade over an average width of 33 inches. At the same date the east drift on this vein reported a length of 77 feet, averaging $57.40 uncut, or $32.55 cut grade over 27 inch average width. Since that time mine advices continue to report exceptionally high gold assays in the 6th level drift. Good progress is reported in reconditioning the mill and dismantling the Jackson Manion mill and mine equipment and structures.

•

Since the end of the fiscal year, September 30, MacLeod-Cockshutt Gold Mines has been able to show a substantial operating profit and

M. R. Sutton, President of Consolidated Press Limited, announces the appointment of Douglas W. Turnbull, C.A., as Comptroller and Executive Secretary. Mr. Turnbull was formerly associated with Clarkson, Gordon and Company, Chartered Accountants. During the war he served with the 3rd Canadian Infantry Brigade in the Mediterranean Theatre and later in France, Germany and Holland as a staff major with 2nd Canadian Corps Headquarters and the 5th Canadian Infantry Brigade.

STOCK MARKET OUTLOOK

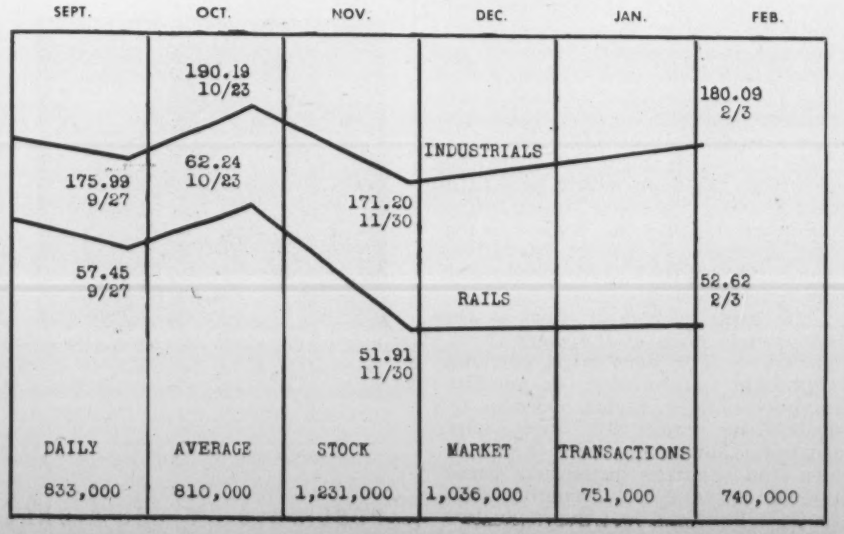
By Haruspex

COMMON Stocks continue favorably priced from the earnings and yield standpoint, but remain under pressure from investor fears as to the business outlook and possible adverse American legislation. Barring war, and assuming as we do, no business collapse, market uncertainty should give way, in the course of the year, to better markets.

On present evidences, which include continuing uncertainty by the general public as to the 1949 business outlook with a downward trend in commodity prices, it appears that wage advances will not be as general or as large as in 1948. Furthermore, the matter of the increase in corporate taxes in the U.S.A. is called into greater doubt. Meanwhile, as factors of health in the stock market picture are the advancing trend for investment-grade bonds and preferreds and the new highs for the year being established by utility common stocks in the U.S.

In the interim, the Dow Jones industrial list continues in a four-week horizontal trading range similar to that characterizing it over four weeks in December, or just prior to its early January run-up. Quite plainly, the N.Y. market is treading cautiously pending clarification of legislation and the business outlook. While uncertain as to price action over the two or three months ahead, we believe better prices will be witnessed later in the year, particularly if taxes are not largely increased.

DOW-JONES STOCK AVERAGES



Oh, my aching back!

and for that stiff arm, hip, and leg

Here's fast relief...

● Muscles stiff and lame after too much exercise? For fast relief, help Nature by rubbing on Absorbine Jr. This stimulates your local circulation . . . enables fresh blood to bring invigorating nourishment to areas where applied. Pain eases, stiffness "loosens up" . . . you can relax and *enjoy* life! Get a bottle of time-proved Absorbine Jr. today and always keep it handy. $1.25 at all drugstores.

W. F. Young, Inc.
Lyman House, Montreal.

Ah! my Absorbine Jr.!

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
Toronto Kirkland Lake

Save AS YOU GO

A small sum saved from each pay envelope amounts in time to a fund that enables you to *do* things. It's *regular* saving—more than *how much*—that counts. Canada Permanent pays you **2% ON SAVINGS DEPOSITS.**

CANADA PERMANENT
Mortgage Corporation
Head Office:
320 BAY ST., TORONTO
8-8

officials hope that this will continue and that better times are in store for the company. Developments on the 13th, or bottom level, have been particularly beneficial to the mine, as substantial tonnages of considerably better grade ore are being outlined. The assistance received from the Dominion government was also of great help to the company. Net loss for the fiscal year ended September 30 was $134,703, compared with a net loss of $126,077 in the previous 12 months. Production was $1,351,699, down from $1,482,375. Ore reserves are shown at 774,606 tons compared with 854,614 a year previous. Net working capital of $629,764 compared with $572,091.

•

Operations were suspended last month at the property of Hoyle Mining Co. in the eastern end of the Porcupine camp, after the company had struggled hard to establish a profitable producer. The deciding factor in closing down was Pamour Porcupine's advice that it could not guarantee to handle the normal quota of 300 tons daily after the first of the year. The mine is being closed down completely and will be stripped of track, pipe and other equipment. None of the plant, however, will be sold. The ore is low grade, but when shipments were started to Pamour the company was able to keep operating costs low. In suspending operations there is still upwards of 1,000,000 tons left in the mine, but the grade is only around one-tenth of an ounce. It might, under more favorable operating conditions be classed as ore.

•

Bralorne Mines, British Columbia's leading gold producer, produced 74,876 ounces of gold in 1948, valued at $2,620,660, from 148,119 tons, an average of 0.506 ounces per ton. In the final quarter of the year 18,364 ounces of gold were recovered from 38,981 tons. A gradual improvement in the manpower situation was apparent in the last quarter, with a full crew being available near the end of the period. The additional manpower permitted the mill to be operated at capacity during December and development work to be increased. Very satisfactory results were reported from development, more ore being developed than in any preceding quarter of the year. Sinking operations to deepen the Empire shaft another 900 feet were expected to commence last month.

SIGNPOSTS FOR BUSINESS

THERE WAS A CONSIDERABLE INCREASE in the number of claims filed for unemployment insurance benefits in December with all provinces contributing to the rise. The December total of claims filed stands at 114,506 as compared with 73,119 in November and 79,848 in December, 1947, according to the Dominion Bureau of Statistics. Ordinary claims on the live unemployment register at the end of December totalled 144,058 as against 83,710 at the end of November and 94,525 at the end of December, 1947.

•

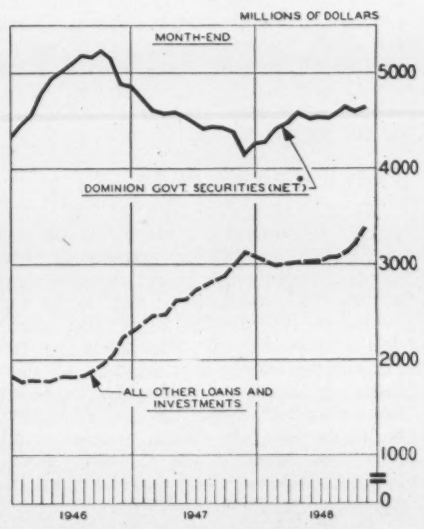
Carloadings on Canadian railways for the week ended January 29 showed a slight increase, rising to 71,850 cars from 71,776 cars for the preceding week, but were down from last year's corresponding total of 73,189 cars. (D.B.S.)

•

Exactly offsetting the decline during the previous month, Canada's official cost-of-living index rose from 158.9 at December 1 to 159.6 at the beginning of January. While all budget indexes were firm, more than half of the rise was due to changes in service rates, including health, personal care, laundry and fuel gas, which are priced only at annual intervals because of their characteristic stability.

At the January level, the cost-of-living index is 11.3 points above that shown for the same time last year. From August 1939 to the beginning of January this year the increase amounted to 58.3 per cent. (D.B.S.)

•



(Bank of Canada Statistical Summary)

Dominion government securities and all other loans and investments held by the Bank of Canada and Canada's chartered banks are plotted above. There was an up-turn in Dominion government securities held at the beginning of 1948, a continued trend upward in all other loans.

•

Canada's production of crude petroleum and natural gasoline rose to a new high record total of 1,265,000 barrels in November, comparing with the October total of 1,206,000, and 731,000 in November, 1947. (D.B.S.)

•

Retail sales of new motor vehicles in 1948 fell slightly below the all-time record total of 1947, the decrease being due to a falling-off in the sales of passenger models. On the other hand, with higher average prices for both passenger and commercial vehicles, the overall value of sales moved up during the year.

Financing of motor vehicle sales during 1948 continued the marked advance of 1947, the number of sales handled by finance companies reaching the highest total since 1941. Due to a rise in average financed value of the units involved, the amount of financing rose even more steeply to the highest aggregate value on record. (D.B.S.)

•

Beer production in Canada was higher in 1948 than in the preceding year, but the output of new spirits was slightly lower. Stocks of distilled liquor at the end of the year were about 11 per cent higher than at the end of 1947, while the amount of new spirits bottled—including imported liquors — showed a small gain. (D.B.S.)

•

Canada's domestic exports in 1948 exceeded the $3,000,000,000 mark for the first time in a peacetime year. Feature of the year's trade was a sharp rise of 45 per cent over 1947 in the value of shipments to the United States, which more than offset generally lower sales to other markets. (D.B.S.)

POWER DEVELOPMENT *in British Columbia*

British Columbia Electric Company Limited provides electric power, transportation and gas for an area containing about 70% of the people of the Province.

To meet the demands of the increased population and industrial activity, the Company has greatly expanded its facilities and during 1949 expects to add an additional 124,000 h.p. bringing its total developed capacity up to 518,016 h.p. We offer as principals, the new issue of—

British Columbia Electric Company Limited
First Mortgage Bonds, 3¾% Series "D"
Due February 1st, 1969
Denominations: $100, $500 and $1,000
Price: 98 and interest to yield 3.89%

Phone or write for the official prospectus describing the Company's operations and containing information on earnings from June 30, 1938 to October 31, 1948.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

5½% Sinking Fund Preferred Shares
Of a Well-Integrated Textile Business

In a decade, Wesley Mason Mills Limited (formerly Laurentian Silk Mills Ltd.) has become a major textile concern in Canada. Its modern spinning and weaving mills turn out a wide range of pure silk, wool, nylon and artificial silk piece goods in a large variety of patterns and stylings.

For quality, design, texture and price, Wesley Mason fabrics are firmly established with merchandisers, manufacturers and the public.

Recently, the Company further diversified its operations through the purchase of Herbert Hosiery Mills of Canada Limited, one of Canada's largest producers of popular priced hosiery for men, women and children.

As principals, we recommend for investment . . .

Wesley Mason Mills Limited
5½% Cumulative Redeemable Sinking Fund Preferred Shares
Price: $100 per share to yield 5½%

These shares . . . . .

—are supported by net tangible assets equivalent to $199 per share.

—are entitled to the benefit of a Sinking Fund based on 15% of net earnings in the years 1950 to 1952 and 10% in each year thereafter.

—are entitled to a dividend rate of 5½% per annum payable quarterly which has been earned 3.89 times on the average for the nine years ended October 31, 1948, and 9.27 times for the year ended October 31, 1948.

—are approved for listing on The Toronto Stock Exchange.

A copy of the prospectus describing this growing textile Company will be sent upon request.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED

50 King Street West, Toronto — Telephone: ELgin 0161
276 St. James Street West, Montreal — Telephone: Harbour 4261
Offices at: Toronto, Hamilton, London, Ottawa, Montreal and New York.
Correspondents in London, England.
Members of The Investment Dealers' Association of Canada.

Profitable Operation
Requires Adequate
Working Capital

THE officers of many business concerns, both small and large, find that changing conditions have brought changes in their financial needs. Working funds which formerly were adequate are no longer sufficient to permit operation at top efficiency. We shall be pleased to discuss with you, ways and means of providing additional working funds as needed.

DOMINION SECURITIES CORPN. LIMITED
Underwriters and Distributors of Investment Securities Since 1901
TORONTO MONTREAL OTTAWA WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
LONDON HAMILTON KITCHENER QUEBEC HALIFAX SAINT JOHN

ABOUT INSURANCE

Nationalization Of Life Business Discussed By British Official

By GEORGE GILBERT

As the life insurance business in Britain continues to grow in volume, it would appear that it is mainly in the investment field that it has been affected by the nationalization of industry which has been taking place under the present socialist government.

AS ONE after another of the large scale industries of the United Kingdom is nationalized or about to be nationalized, like the steel industry and the gas industry, the question arises as to whether the process is to be continued until there is little or nothing left of the field reserved for development by private enterprise. Despite the assurance of high-placed politicians that the British government has no intention of nationalizing the insurance business, as it recognizes the importance of its contribution to the country's economy in the way of invisible exports, this is not regarded as an entirely satisfactory guarantee for the future.

So far the life insurance business has continued to grow in volume in Britain, and at present the main problem facing the companies is the narrowing of the field of investment because of the changes in the structure of the nation's finances as a result of the nationalization of industry by the socialist government. In making an investment, the companies must continually consider the possibility of nationalization and the effect it might have on the security they are purchasing. In the case of some companies they have received adventitious aids to the rate of interest earned, such as accumulated interest on war damage claims, and it will be only in this year, 1949, that they will experience the first heavy loss from the enforced holdings of lower interest bearing securities.

There is no doubt that since the war government in Great Britain and in some other countries has been passing into the hands of non-believers in the profit motive, whose slogan is "production for use and not for profit", and, as one acute observer has put it, "a considerable part of the business of the world is now conducted by those who have nothing to gain from success or to lose by failure."

In discussing the question of nationalization recently before the Publicity Club of Glasgow, Mr. Matthew Lindsay, J. P., F.C.I.I., district manager for Scotland of the National Provident Institution, said there were three attitudes towards the question, as follows: "(1) Some people believe nationalization is fundamentally bad and leads inevitably to a totalitarian state, destroying the freedom, independence and character of the citizens. They believe the state should intervene only in such functions as cannot effectively be handled by private enterprise. The country where this belief is most firmly held is the United States of America, and that country maintains a higher standard of living and is able to help us and others—and it happens to be the country where life assurance has been adopted to a greater extent than anywhere else.

"(2) There are some people who believe that nationalization is fundamentally good. They believe that all activities should be run by the community—which in practice means by officials. Sometimes this faith in nationalization has a moral basis—i.e. the belief that service and not profit or personal gain should be the motive. Sometimes this faith has an immoral basis in so far as it appeals to envy, jealousy, laziness and hatred. The country in which this belief is most firmly held is Russia, and as that country finds it necessary to shut itself off from the rest of the world by an Iron Curtain, we can assume that the results so far have not been very satisfactory.

An Economic Question

"(3) The third attitude to nationalization is to treat it as an economic question. If it were shown that any industry or activity can function better under national ownership or control, then it ought to be nationalized. Unless this can be proved absolutely, any industry ought not to be nationalized since there is undoubtedly the danger of creating a slave state, governed and bossed by officials, appointed by political adventurers, who will in the end destroy all liberty to maintain themselves in power."

Answering the question, "Would nationalization of life insurance give the public better value or service?" he said it was difficult to see how such a change would give the public more for their money as most of policies are with-profits and most of the profits are returned to the policyholders in the way of bonuses or dividends. Many of the life companies are mutual—that is, there are no shareholders—so all profits go to the policyholders. In the case of stock companies, from 90 to 97 per cent of the profits go to the policyholders. In most cases the profits which shareholders get represent such a small part of the premium that they would make no material difference to the policyholders.

Loss If Run By State

As noted, the profits of life companies are derived from three sources—interest earned in excess of the tabular rate, savings in expense and savings in mortality, and it is extremely improbable that the state could run the business at a profit. It is more likely that instead of providing bonuses or dividends, the business would be run at a loss, resulting in more burdens being placed upon the shoulders of the already overloaded taxpayers and requiring an increase in premium charges.

As far as service to the public is concerned, it is pointed out that life insurance is a business in which there is keen competition and this makes it necessary for companies and their representatives to give the best possible service. Those in the business must strive to earn the goodwill of the public upon whom they depend. Under nationalization there would be no such incentive to please or satisfy the public.

To the question, "Is life insurance a monopoly exercised against the public interest?" his answer was: "The business is as far removed from a monopoly as could be imagined. There are no cartels, no fixing of rates and conditions. There is keen competition, a great variety of policies and complete freedom of choice among many companies. If the business were nationalized it would be a monopoly—a state monopoly with no freedom of choice."

—Photo by C.N.R.

RAILWAY LAB: The new research and testing laboratories of the Canadian National Railways in Montreal are shown being inspected by R. C. Vaughan, C.M.G., chairman and president. The apparatus at the left of the photo is a polarograph, for analysis of paint.

FIDELITY Insurance Company of Canada

Consult your agent or broker as you would your doctor or lawyer

TORONTO

THE Casualty Company of Canada
HEAD OFFICE - TORONTO
E. D. GOODERHAM, President — A. W. EASTMURE, Managing Director
AGENCY OPPORTUNITIES IN SOME TERRITORIES THROUGHOUT CANADA

Good Companies All...

Great American Insurance Company New York
Great American Indemnity Company New York

ROCHESTER UNDERWRITERS AGENCY NEW YORK
AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

Policies in the Great American Group assure you of first-class protection in large, sound companies with an enviable record for prompt loss settlements.

Let the Great American Group, which writes practically every form of insurance except life, consolidate all your insurance risks through one of its conveniently located agents —or your own broker.

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND
J. H. HARVEY, Manager
465 St. John Street, Montreal, Que.

BRANCHES IN
TORONTO ONT. George E. HOWE
LONDON ONT. H. O. HOLROYDE
WINNIPEG MAN. L. B. SPEECHLY
VANCOUVER B.C. W. EVANS

A GROUP OF COMPANIES CONDUCTING BUSINESS ONLY THROUGH REPUTABLE LICENSED AGENTS AND BROKERS

No Insurance Program Designed to Protect and Conserve Assets is Complete Without Credit Insurance

Why Banks Are Recommending Credit Insurance To Protect Business Profits!

AN INCREASING number of banks are advising manufacturers and wholesalers to carry Credit Insurance because their accounts receivable are extremely important assets... need protection at ALL times... but especially NOW with the slowing down of payments and with business failures climbing.

American Credit insures your clients against unforeseeable events that turn good credit risks into bad debt losses. Manufacturers and wholesalers in over 150 lines of business now have American Credit policies which GUARANTEE PAYMENT OF ACCOUNTS RECEIVABLE.

In addition to paying your clients in the event of customer failure, American Credit policies also enable them to get cash for long past due accounts. Your clients can insure one account, a selected group of accounts, or all accounts according to need.

If your clients' accounts receivable are not protected, their insurance coverage is incomplete. For additional information about Credit Insurance, phone the American Credit office in Toronto, Montreal or Sherbrooke, or write American Credit Indemnity Company of New York, Department 53, Baltimore 2, Maryland.

J. S. McFadden
PRESIDENT

CANADIAN DIVISION
AMERICAN CREDIT INSURANCE
AMERICAN CREDIT INDEMNITY COMPANY OF NEW YORK
GUARANTEES PAYMENT OF ACCOUNTS RECEIVABLE

Offices in Toronto, Montreal and Sherbrooke

Union School Trains Labor For Its Many New Tasks

By MALCOLM NELLES

Canada has lagged behind in labor education. In both the United Kingdom and the United States the trade unions and the universities pay a great deal of attention to education for labor. The Union Winter School of the Canadian Congress of Labor and the University of Toronto is a notable step toward more union training. Mr. Nelles visited the school at Ajax, Ontario; he outlines its importance below.

A GREAT ADVANCE in labor education in Canada was marked by the Union Winter School, held last week at the Ajax campus of the University of Toronto under the joint auspices of the University Institute of Industrial Relations and the education committee of the Canadian Congress of Labor. There are about three times as many union members in Canada now as there were in 1939, the influence of organized labor in the Canadian economy has increased proportionately. It is therefore vitally important that trade union officials and the unionists they represent be well informed about the increasingly important part they are playing in Canada.

The Union Winter School repeated the success of the first such school which was held under the same auspices last year. This year even more time has been given to studies, and necessarily less to public meetings and extra activities. Seventeen courses were offered; each student could register for one 21-hour course and one 10-hour course.

A nice balance was preserved between practice and theory. The practical courses were concerned with how to run a union; methods of negotiating and correctly observing union contracts, union publicity, organizing locals, handling grievance procedures, and so on. The other courses were designed to fit the union movement into the broad economic picture. Courses were given in Canadian government, current economic problems, and labor law.

About 150 stewards, officers, committeemen, and other leaders of the union movement, including a handful of women, were accepted by the school from locals and offices of the Canadian Congress of Labor all across Canada. Their expenses, which were kept to a minimum thanks to the accommodation provided by the University, were paid by the organizations which sent them, and usually they were compensated for the lost week's wages.

Joint Firm

The school was run by a joint committee headed by Professor Vincent Bladen on behalf of the University of Toronto and by Andrew Andras on behalf of the Congress. Howard Conquergood, Director of Education and Welfare for the United Steelworkers of America, was director of the school, assisted by Farrell Toombs, a research associate of the University's Institute of Industrial Relations. The most scrupulous care was taken that every detail of the program should be approved by both the University and the Congress. Teaching duties were divided between members of the University staff and union research directors, educational officers, and specialists in various union subjects.

The Winter School provided an opportunity for concentrated study which could hardly have been provided otherwise, although schools of this sort and shorter week-end schools are not the only way in which labor education is carried on. Many locals have education committees which are active all year around for the benefit of their members. Some craft unions have their own correspondence courses for members and even central training schools. In addition Canadian labor has always been interested in public education, both primary and secondary, especially as it affects union apprenticeship schemes.

Nor is the value of university education for union officials overlooked. Promising trade unionists have been sent to British universities for many years, and fellowships have been set up in more than one American university for the education of men and women recommended by organized labor.

Impartiality

The universities, as public institutions, are careful to maintain a strict impartiality in labor matters. Concurrently with their activities on behalf of unions they help employers' representatives to understand the problems of cooperating with labor. For instance, the University of Toronto holds weekly conferences of employers to discuss the human problems of industrial relations.

The labor movement has been assisted by various Canadian universities in its educational program. The Maritime Labor Institute at Dalhousie University uses the facilities of the Institute of Public Relations there. The University of Western Ontario and the University of Manitoba have also cooperated with labor in conducting week-end schools and other educational projects. During the past year the Canadian Association for Adult Education has undertaken to work with the Canadian Congress of Labor, the Trades and Labor Congress of Canada, the Canadian and Catholic Federation of Labor and the universities in a coordinated study of the state of labor education in Canada with the object of making specific recommendations as to how labor education can be furthered.

The Canadian Congress of Labor has been more concerned with education than the Trades and Labor Congress. The report of the educational committee of the C.C.L.'s last annual conference outlined three major objectives; first, to assimilate new members and to train both new and old members in the principles and methods of the labor movement; second, to provide special training for union officers in the various techniques of collective bargaining, union administration, and the like; and third, to develop broader community interests and participation, as in the cooperative movement and municipal affairs.

The Canadian labor movement is of fairly recent development, and has not been able to provide the educational opportunities which the older and better established unions in Great Britain have enjoyed for many years. So far the rise of trade unions in Canada has been largely inspired by the desire to further the economic ends of their members; the familiar bread and butter unionism. Now that organized labor is fairly well established in Canada it can turn its attention from the primary task of organization and look to the broader task of educating its members for a useful place in the movement and in a democratic Canadian society.

U.N. MEDIATOR: Dr. Ralph J. Bunche of the United States, acting U.N. mediator in the Palestine dispute, is shown here with Brig. Gen. William E. Riley, U.N. truce supervisor. Hopes are high again for a peace, though talks have often been broken off with Israelis and Arabs.

NEW YORK UNDERWRITERS INSURANCE COMPANY

68 YONGE ST., TORONTO 1

R. H. CAMPION, MANAGER FOR CANADA

A stock tariff company doing business in Canada and Newfoundland through licensed agents and brokers.

"Safety Seal" ENVELOPES

We make envelopes for every need — write and tell us your requirements.

by NATIONAL PAPER GOODS LIMITED

HAMILTON - ONTARIO

Halifax, Montreal, Toronto, Winnipeg, and Vancouver

NEW MONT ROSA EVERBEARING RUNNERLESS DWARF BUSH STRAWBERRY

Fruits from seed the first year: easily grown. Bush form, about one foot high. No runners. Hardy perennial. Bears abundantly from early summer till killing frost. Has an intense luscious flavor and aroma like that of wild strawberry; rich and juicy. Neat compact bushy growth makes it highly ornamental as well as valuable in vegetable, fruit or flower garden, borders etc. A showy pot plant too. Though smaller than commercial strawberries Mont Rosa is the largest fruiting of any variety we know from seed, surpassing the popular solemacher and similar types. Its unique bush form and exquisite flavor place it in a class by itself for every home garden. Seed supply is limited. Order early. (Pkt. 25c) (3 pkts. 50c) postpaid.

FREE OUR BIG 1949 SEED AND NURSERY BOOK

DOMINION SEED HOUSE GEORGETOWN ONT.

2 new papers

PROPACO THINTEXT

Provincial's uncoated papers are back to pre-war weights—and two new grades have been added. One of these, Propaco Thintext, is light, strong, opaque, bright. Designed for maximum content with minimum bulk, such as in Bibles, Hymnals, catalogues, it cuts postage on any mailing piece.

YORK MULTI-PURPOSE

Second brand-new grade from our laboratories is York Multi-Purpose. A top-quality, letterpress or offset paper of widest utility, it is unmatched for gloss inks or varnishing. Its extra strength gives high foldability and long wear.

Printers, publishers and advertisers will find these new sheets interesting. Your supplier will be pleased to acquaint you with them fully.

Provincial Paper Limited

388 UNIVERSITY AVENUE, TORONTO 2 — CANADA CEMENT BUILDING, MONTREAL 2
325 MAIN STREET, WINNIPEG

PP-6

Business Briefs

LOUIS L. LANG, president, and A. E. Pequegnat, general manager, took advantage of the occasion of the annual meeting of the Mutual Life Assurance Co. at Waterloo, Ont., to refer to the small beginnings of this enterprise when 500 policyholders, 79 years ago, banded together to take out $1,000 each in insurance in the first year.

It has collected total premiums from member policyholders of $557.5 million. It now holds $241,351,441 to meet future claims, after distributing to policyholders and beneficiaries for all purposes $374.3 million, including $117.5 million as death and disability benefits and $256.8 million paid to living policyholders. The latter received $110.9 million as dividends or partial returns of premium payments.

THE ANNUAL STATEMENT just released by the Guaranty Trust Co. of Canada for the year ending December 31, 1948, shows assets under administration are $55,697,327, an increase of $3,827,895 over the previous year. Net profit amounted to $130,412, a gain of 40 per cent. Deposits by the public of $16,139,895 compare with $15,593,573 of a year ago. The ratio of liquid assets to savings deposits was 122.19 per cent.

AT THE ANNUAL MEETING of Crown Life Insurance Co., H. L. Stephenson, managing director, reported that the amount of new policies issued in 1948 was $121 millions, which exceeded the issue of any previous year. The increase of insurance in force after deducting all policies terminated for whatever cause also exceeded the increase of any previous year before the exchange revaluation made by the company, under which all year-end items in sterling and related currency were converted at the rate of £1 equals $4.00 instead of at the rate of £1 equals $4.65, as was done in 1947. All comparisons between figures of the two years must be read with this change in mind.

The increase of insurance in force in 1948 was $83 millions before and $72.5 millions after this change. The increase of assets was $13.5 millions before and $10.5 millions after this change—and similarly for all other year-end items including both assets and liabilities.

THE NATIONAL LIFE ASSURANCE Co. of Canada reported at its annual meeting that progress had been made in all branches of the company operations. Addressing the shareholders, H. Rupert Bain, president, said, "Our mortality experience compared favorably with that of a year ago, and this fact has been reflected in our earnings." The insurance in force has passed well over the $100,000,000 mark and now stands at $115,154,453.

During the year, the company invested a substantial amount of its assets in first mortgages on real estate. This increase in mortgage investment has served to increase the interest rate. Net interest rate earned showed an upward trend during the year and it is now 3.25 per cent.

Income from premiums, interest, dividends, rents, and from profit on sale or redemption of securities amounted to $3,532,312. From the income so received the company paid $1,132,763 to policyholders and their dependents under the terms of their policy contracts.

THE forty-third annual meeting of Monarch Life was held at its head office, at Winnipeg, January 25, 1949, with J. Elmer Woods, vice-president, presiding. The company reported new business placed at risk increased 9.4 per cent to $25,524,000, while business in force increased 13.3 per cent to $145,034,000. The amount of business in force has increased in recent years for it was only in 1946 that the company first had $100,000,000 of business in force. The total amount paid or credited to policyholders and beneficiaries in the year was $3,893,690. While the amount of death claims paid was somewhat higher than the preceding year, the company's mortality experience continued to be favorable.

ASSETS of the Great-West Life reached $331,000,000, an increase of $26,500,000 in the past year, and total business in force attained $1,346,000,000, providing protection for 388,000 policyholders in Canada and the United States. New business in 1948 amounted to $198,000,000, nearly four times the business placed ten years ago. These were some of the highlights in the address of Mr. H. W. Manning, vice-president and managing director, at the company's annual meeting in Winnipeg.

The year's increase of $139,000,000 in business in force was 16 per cent larger than the average increase in the preceding three years.

THE directors' report to the policyholders of North American Life noted that new business increased and for the year amounted to $82,562,272. The new ordinary business consisted of $57,631,800 in assurances and $3,448,038 in annuities, while the new group business included $5,741,275 in assurances and $15,741,159 in annuities. The total business in force increased during the year by $57,893,298, and at the end of the year amounted to $512,248,468. Of this total, assurances consisted of $455,101,822 and deferred annuities $57,146,646. At the end of the year there were more than 171,000 ordinary policies and 19,000 group certificates in force.

THE annual statement of National Trust Co. Ltd., which has been sent to the shareholders, shows an increase in estates, trusts and agency assets of $19,438,069 and an increase in savings deposits of $1,679,800. The estates, trusts and agency assets at December 31, 1948 stood at $332,282,823 and savings deposits at $28,721,947.

Net profits increased from $595,324 last year to $652,271. These profits, when added to the sum of $184,803 brought forward from 1947, make a total at credit of profit and loss account of $837,075.

WANTED

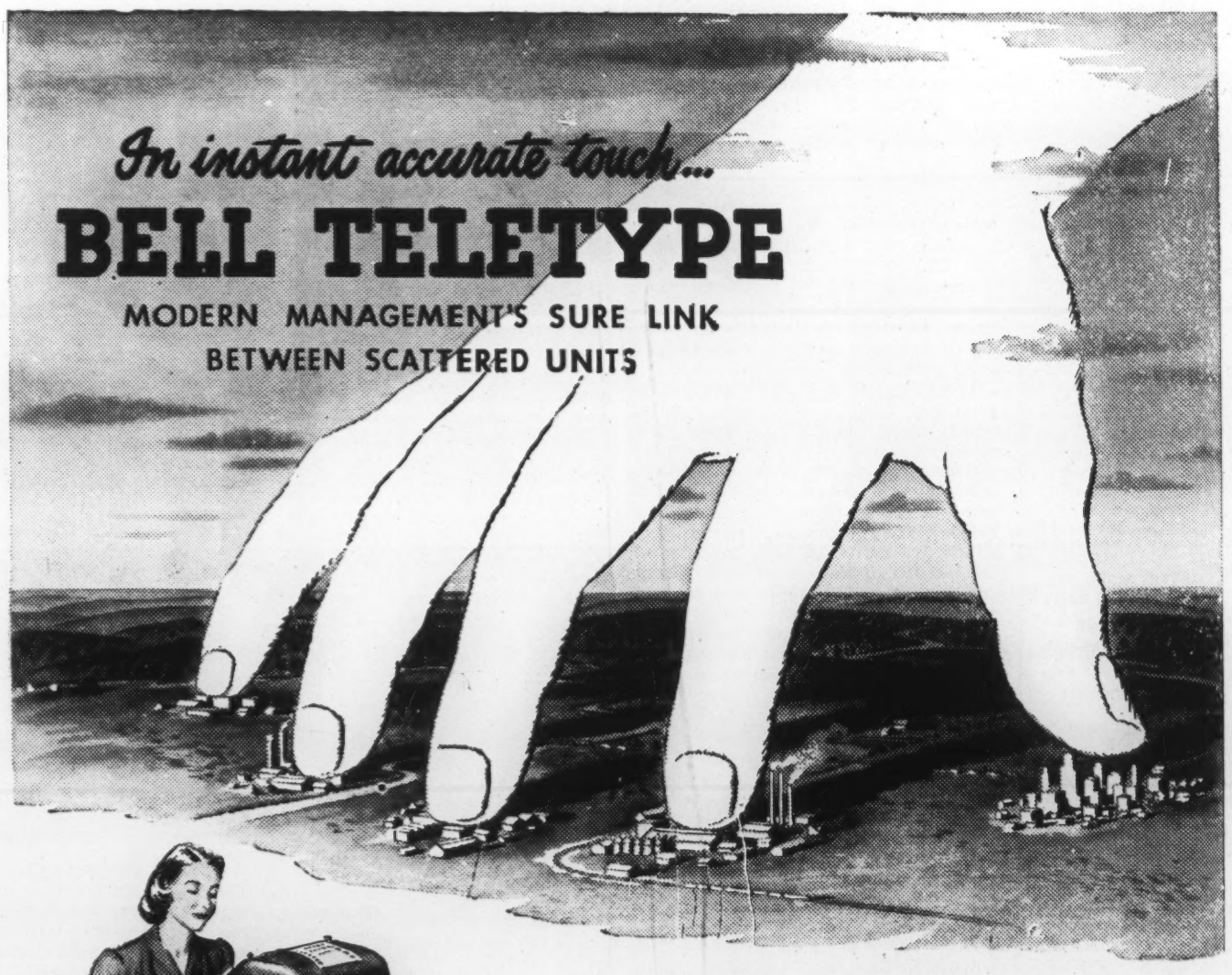
CANADA'S BEST USED-CAR SALES MANAGER

For the right man, this job in Vancouver is the chance of a lifetime. Salary is no consideration, if you can meet the need. The employer we represent is a fine type business man who holds important new car franchises. He requires sales manager for USED CARS, not new cars, and he'll pay for the best he can find. The man selected will live in Vancouver's pleasant, healthful climate . . . an ideal home for any family.

Applicants must supply complete personal background and state present employment or the application cannot be considered. Personal interviews are not possible at this stage. If you believe you can qualify, mail your application now to:

THE JAMES FISHER COMPANY LIMITED

204 Richmond Street W. — Toronto, Ontario



BACKED BY BELL

When installed and maintained by Bell personnel, your TELETYPE service is backed by all the research experience of Canada's communications experts. Messages are carried over telephone lines. That means *extra* dependability, because 95% are in cables, safer from interruptions.

IT KEEPS all within quick, easy reach; saves time and money; ensures accuracy.

If *your* organization has one or more departments away from head office, you'll want to check the advantages of BELL TELETYPE. Information is as near as your telephone. Call your Telephone Business Office and ask for a Bell Teletype expert to visit you. He will be glad to arrange for a demonstration.

BELL TELETYPE

THE BELL TELEPHONE COMPANY OF CANADA

Agents for the North American Telegraph Company